SERFF Tracking Number: LBRM-125278514 State: Arkansas

Filing Company: State Tracking Number: AR-PC-07-025960 Peerless Indemnity Insurance Company

Company Tracking Number: 2007-00514A

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package

Liability

AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS Product Name:

AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS/2007-00514A Project Name/Number:

Filing at a Glance

Company: Peerless Indemnity Insurance Company

Product Name: AR-CUSTOM PROTECTOR-SERFF Tr Num: LBRM-125278514 State: Arkansas

ADDITIONAL ENDORSEMENTS

TOI: 05.0 Commercial Multi-Peril - Liability & State Tr Num: AR-PC-07-025960 SERFF Status: Closed

Non-Liability

Sub-TOI: 05.0003 Commercial Package Co Tr Num: 2007-00514A State Status:

Co Status: Filing Type: Form Reviewer(s): Betty Montesi,

Llyweyia Rawlins, Brittany Yielding

Author: Tammy Blake Disposition Date: 09/04/2007 Date Submitted: 08/30/2007 Disposition Status: Approved

Effective Date Requested (New): 10/01/2007

Effective Date (New): 10/01/2007

Effective Date (Renewal):

10/01/2007

General Information

Effective Date Requested (Renewal):

Project Name: AR-CUSTOM PROTECTOR-ADDITIONAL Status of Filing in Domicile:

ENDORSEMENTS

Project Number: 2007-00514A Domicile Status Comments: N/A

Reference Organization: N/A Reference Number: N/A Advisory Org. Circular: N/A Reference Title: N/A

Filing Status Changed: 09/04/2007

State Status Changed: 08/30/2007 Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

For all policies effective on and after October 1, 2007 we wish to file revisions to our CUSTOM PROTECTOR™ Program.

At this time we wish to file additional endorsements, 21-90D Restaurant Custom Protector Endorsement, 21-95D Religious Organizations Custom Protector Endorsement, 21-96D Condominium Custom Protector Endorsement and 21-97D Hotel/Motel Custom Protector Endorsement.

SERFF Tracking Number: LBRM-125278514 State: Arkansas

Filing Company: Peerless Indemnity Insurance Company State Tracking Number: AR-PC-07-025960

Company Tracking Number: 2007-00514A

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package

Liability

Product Name: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS

Project Name/Number: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS/2007-00514A

Company and Contact

Filing Contact Information

Tammy Blake, State Filings Analyst tammy.blake@LibertyMutual.com

62 Maple Avenue (800) 826-6189 [Phone] Keene, NH 03431 (603) 352-9252[FAX]

Filing Company Information

Peerless Indemnity Insurance Company CoCode: 18333 State of Domicile: Illinois

62 Maple Ave. Group Code: 111 Company Type: Property &

Casualty

Keene, NH 03431 Group Name: State ID Number:

(800) 826-6189 ext. [Phone] FEIN Number: 13-2919779

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No

Fee Explanation: \$50.00 PER FILING

Per Company: No

COMPANY AMOUNT DATE PROCESSED TRANSACTION #

Peerless Indemnity Insurance Company \$0.00 08/30/2007

CHECK NUMBER CHECK AMOUNT CHECK DATE 60677602 \$50.00 08/23/2007

SERFF Tracking Number: LBRM-125278514 State: Arkansas

Filing Company: Peerless Indemnity Insurance Company State Tracking Number: AR-PC-07-025960

Company Tracking Number: 2007-00514A

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package

Liability

Product Name: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS

Project Name/Number: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS/2007-00514A

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	09/04/2007	09/04/2007

SERFF Tracking Number: LBRM-125278514 State: Arkansas

Filing Company: State Tracking Number: AR-PC-07-025960 Peerless Indemnity Insurance Company

Company Tracking Number: 2007-00514A

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package

Liability

Product Name: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS

Project Name/Number: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS/2007-00514A

Disposition

Disposition Date: 09/04/2007

Effective Date (New): 10/01/2007 Effective Date (Renewal): 10/01/2007

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: LBRM-125278514 State: Arkansas

Filing Company: Peerless Indemnity Insurance Company State Tracking Number: AR-PC-07-025960

Company Tracking Number: 2007-00514A

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package

Liability

Product Name: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS

Project Name/Number: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS/2007-00514A

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property Casualty	&Approved	Yes
Supporting Document	COVER LETTER	Approved	Yes
Supporting Document	FORMS LIST	Approved	Yes
Form	RESTAURANT CUSTOM PROTECTOR ENDORSEMENT	Approved	Yes
Form	RELIGIOUS ORGANIZATIONS CUSTO PROTECTOR ENDORSEMENT	MApproved	Yes
Form	CONDOMINIUM CUSTOM PROTECTO ENDORSEMENT	RApproved	Yes
Form	HOTEL/MOTEL CUSTOM PROTECTOR ENDORSEMENT	R Approved	Yes

SERFF Tracking Number: LBRM-125278514 State: Arkansas

Filing Company: Peerless Indemnity Insurance Company State Tracking Number: AR-PC-07-025960

Company Tracking Number: 2007-00514A

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package

Liability

Product Name: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS

Project Name/Number: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS/2007-00514A

Form Schedule

Review	Form Name	Form #	Edition	Form Type Action	Action Specific	Readability	Attachment
Status			Date		Data		
Approved	RESTAURANT	21-90D	06-2007	Endorseme New		0.00	21-90D 06
	CUSTOM			nt/Amendm			07.pdf
	PROTECTOR			ent/Conditi			
	ENDORSEMENT	Γ		ons			
Approved	RELIGIOUS	21-95D	06-2007	Endorseme New		0.00	21-95D 06
	ORGANIZATION	I		nt/Amendm			07.pdf
	S CUSTOM			ent/Conditi			
	PROTECTOR			ons			
	ENDORSEMENT	Γ					
Approved	CONDOMINIUM	21-96D	06-2007	Endorseme New		0.00	21-96D 06
	CUSTOM			nt/Amendm			07.pdf
	PROTECTOR			ent/Conditi			
	ENDORSEMENT	Γ		ons			
Approved	HOTEL/MOTEL	21-97D	06-2007	Endorseme New		0.00	21-97D 06
	CUSTOM			nt/Amendm			07.pdf
	PROTECTOR			ent/Conditi			
	ENDORSEMENT	Γ		ons			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RESTAURANT CUSTOM PROTECTOR ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CAUSES OF LOSS - SPECIAL FORM

The following is a summary of increased limits of insurance and additional coverages provided by this endorsement. This endorsement is subject to the provisions of your policy which means that it is subject to all limitations and conditions applicable to this Coverage Part, Coverage Form or Causes of Loss Form unless specifically deleted, replaced, or modified herein. This endorsement is applicable only to those premises described in the Declarations.

Coverage for loss of Business Income or Extra Expense, whether provided by this endorsement or elsewhere, does not apply if a loss is covered only as a result of this endorsement.

If coverage is provided elsewhere in this policy for the same loss or damage as the coverage provided under this endorsement, the coverage under this endorsement will apply excess over that other coverage unless otherwise stated. We will not pay more than the actual amount of the covered loss or damage.

Coverage Description	Limit of Insurance
Broadened Premises	Included
Additional Covered Property	Included
Preservation of Property	90 days
Inventory and Appraisal	\$ 5,000
Employee Dishonesty	\$ 25,000
Money Orders and Counterfeit Money	\$ 25,000
Lost Key Coverage	\$ 2,500
Leasehold Interest	\$ 10,000
Contract Penalty Clause	\$ 5,000
Contingent Transit	\$ 10,000 \$ 5,000 \$ 5,000 \$ 5,000 \$ 5,000
Lost Lease Coverage – Lessors Interest	\$ 5,000
Tenant Move Back Coverage	\$ 5,000
Manufacturers Consequential Loss Assumption	\$ 25,000
Forgery or Alteration	\$ 25,000
Real Property of Others Required by Contract	\$ 25,000
Electronic Data	\$ 25,000
Foundations	Included
Debris Removal	\$ 25,000
Fire Department Service Charge	\$ 25,000
Pollutant Clean Up and Removal	\$ 25,000
Newly Acquired or Constructed Property	180 days
Buildings	\$ 500,000
Business Personal Property	\$ 250,000
Personal Effects and Property of Others	\$ 10,000
Valuable Papers and Records (Other Than Electronic Data)	
On Premises	\$100,000
Off Premises	\$ 5,000
Property Off-Premises (Including while in Transit)	\$100,000
Electronic Data in Transit	\$ 5,000
Outdoor Property	\$ 25,000
Accounts Receivable	
On Premises	\$100,000
Off Premises	\$ 5,000
Arson Reward (Not available in New York)	\$ 25,000
Back-up of Sewers or Drains	\$ 10,000
•	*

Extra Expense Coverage Description Fine Arts Fire Protective Devices	\$ 10,000 <u>Limit of Insurance</u> \$ 25,000
Fire Protective Devices Loss of Refrigeration	\$ 10,000 \$ 25,000
Computer Equipment	\$ 25,000
Laptop/Portable Computers	\$ 5,000
Lock Replacement	\$ 2,500
Money and Securities	· /
Inside the Premises	\$ 25,000
Outside the Premises	\$ 25,000
Off-Premises Services Interruption	\$ 10,000
Consequential Loss	\$ 10,000
Business Income	\$ 10,000
Business Income – Utility Services Interruption	\$ 1,000
Business Income – Support Property	\$ 5,000
Employee Tools Coverage	\$ 5,000
Salespersons Samples	\$ 5,000
Loss to Pair or Set	Included
Business Personal Property Limit Seasonal Increase	25%
Appurtenant Structures	
Buildings	\$ 50,000
Business Personal Property	\$ 5,000
Signs (Attached)	\$ 25,000
Special Deductible Provision	Included
Waiver of Coinsurance on losses \$10,000 or less	Included
Brands and Labels	\$ 25,000
Ordinance or Law	25% of the Building Limit subject to \$100,000 maximum
Manufacturers Selling Price	Included
Dies, Patterns, Molds and Forms	Included in Business Personal Property Limit

A. The following changes apply to Section **A. COVERAGE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

1. Broadened Premises

The within 100 feet of the described premises description stated in Paragraph A.1.a.(5)(b), Building, Paragraph A.1.b., Your Business Personal Property, Paragraph A.1.c.(2), Personal Property of Others and Paragraph A.5., Coverage Extensions is deleted and replaced by within 1000 feet of the described premises.

2. Additional Covered Property

The following are added to item **a. Building** of Paragraph **1. Covered Property**:

- (6) Bridges, roadways, walks, patios or other paved surfaces;
- (7) Retaining walls (except retaining walls used to contain water) that are not part of a building.

Item 6 listed above is deleted from paragraph 2. Property Not Covered.

Item I. of paragraph 2., Property Not Covered is deleted and replaced by the following:

- **I.** Retaining walls used to contain water.
- 3. Paragraph A.4. Additional Coverages is amended as follows:

b. Preservation of Property

The 30 day limitation in paragraph A.4.b.(2) is increased to 90 days.

4. The following are added to paragraph A.4. Additional Coverages:

g. Inventory and Appraisal

We will pay up to \$2,500 for inventory costs and \$2,500 for appraisal costs due to loss or damage as a result of a Covered Cause of Loss to covered property. We will only pay if the costs are incurred and are reasonable and necessary to establish the amount of the loss. Attorney or public adjuster fees are not covered costs under this section.

h. Employee Dishonesty

- We will pay for direct loss of or damage to business personal property, including money and securities, resulting from dishonest acts committed by any of your employees acting alone, or in collusion with other persons (except you or your partner) with the manifest intent to:
 - a) Cause you to sustain loss or damage; and
 - b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - i) Any employee; or
 - ii) Any other person or organization.
- 2) We will not pay for loss or damage:
 - Resulting from any dishonest or criminal act that you or any of your partners commit whether acting alone or in collusion with other persons; or
 - b) The only proof of which as to its existence or amount is dependent upon:
 - i) An inventory computation; or
 - ii) A profit and loss computation.
- 3) The most we will pay for loss or damage in any one occurrence is \$25,000.
- 4) All loss or damage:
 - a) Caused by one or more persons; or
 - b) Involving a single act or series of related acts; is considered one occurrence.
- 5) If any loss is covered:
 - a) Partly by this insurance; and
 - b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest,

the most we will pay is the larger amount recoverable under this insurance or the prior insurance.

6) We will pay for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- 7) This Additional Coverage does not apply to the dishonest act of any employee that occurs after the discovery by:
 - a) You; or
 - b) Any of your partners, officers, directors or trustees not in collusion with the employee

of any dishonest act committed by that employee whether before or after becoming employed by you.

- 8) Will pay only for covered loss or damage discovered no later than one year from the end of the Policy Period
- 9) If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
 - (a) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
 - (b) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- 10) The insurance under paragraph (9) above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
 - (a) This Additional Coverage as of its effective date; or
 - (b) The prior insurance had it remained in effect.

Coverage provided under this Additional Coverage is subject to a Deductible equal to the Property Deductible shown in the Declarations.

"Employee" means:

- Any natural person:
 - a. While in your service and for 30 days after termination of service; and
 - b. Whom you compensate directly by salary, wages or commissions; and
 - c. Whom you have the right to direct and control while performing services for you; or
- 2) Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the premises.

But "employee" does not mean any:

- Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

i. Money Orders and Counterfeit Money

We will pay for your loss when you accept in good faith:

 Any money order in exchange for goods or services if the money order is not paid when presented to the issuer; or 2) Counterfeit U.S. or Canadian paper money in the regular course of business.

The most we will pay under this additional coverage is \$25,000 in any one occurrence.

j. Lost Key Coverage

We will pay for consequential loss to keys and locks if a master key or grand master key is lost or damaged resulting from a Covered Cause of Loss. We will pay for the actual cost to replace keys, adjustment of locks to accept new keys, or if required, new locks, including the cost of their installation.

The most we will pay for loss or damage under this coverage is \$2,500 in any one occurrence.

k. Leasehold Interest

We will pay for loss of "tenants lease interest" you sustain due to the cancellation of your lease. The cancellation must result from direct physical loss or damage at a premises described in the Declarations due to a Covered Cause of Loss.

"Tenants lease interest" means the difference between the rent you will pay under a new lease at the described premises; or elsewhere, and the rent you now pay.

The most we will pay for such loss is the least of:

- a) The total difference in rent based on the period of time remaining under your current lease; or
- b) The total difference in rent for one year; or
- c) \$10,000.

I. Contract Penalty Clause

We will pay the contract penalties you are required to pay to your customers as a result of any written clause in your contract for failure to timely deliver your product or service according to contract terms, provided the contract was executed prior to the loss or damage. The penalties must solely result from direct physical loss or damage by a Covered Cause of Loss to covered property. The most we will pay for penalties for all contracts in any one occurrence is \$5,000.

m. Contingent Transit

We cover the goods you sell to others which are shipped to them at their risk of loss, but only if you cannot collect on the bill of sale because:

- The goods have been damaged by a Covered Cause of Loss applying to your business personal property; and
- 2) your customer has refused or is unable to pay.

If this occurs, we will adjust the loss as if this were your property. The most we will pay for loss or damage in any one occurrence is \$5,000.

Coverage provided under this Additional Coverage is subject to a deductible equal to the Property Deductible shown in the Declarations.

n. Lost Lease Coverage – Lessors Interest

If the Declarations show you have Business Income Coverage, the form is amended to include the following:

- We will pay for loss you sustain due to the cancellation of lease contracts by your tenants when the reason for cancellation of the lease is direct physical loss or damage to the leased premises caused by or resulting from a Covered Cause of Loss during the policy period.
- 2) We will not pay for any loss caused by:
 - a) Your canceling the lease;
 - b) The suspension, lapse or cancellation of any license; or
 - c) Any other consequential loss.
- 3) The most we will pay under this coverage is:
 - a) The difference between the rent actually paid at the described premises and the anticipated rental value of the described premises that you lease for:
 - i) 12 months immediately following the period of restoration; or
 - ii) for the period beginning with the end of the period of restoration and ending with the normal expiration date of each canceled lease; or
 - iii) \$5,000 at any one location,

whichever is less.

o. Tenant Move Back Coverage

We will pay expenses incurred by you for "Covered Move Back Costs" of tenants who temporarily vacate a portion of a covered building property at the premises described in the Declarations. The vacancy must have occurred while the portion of the covered building property rented by the tenant could not be occupied due to direct physical loss or damage to your Covered Property caused by or resulting from any Covered Cause of Loss during the policy period. The move back must take place within 60 days after the portion of the covered building property rented by the tenant has been repaired or rebuilt and is ready for occupancy.

We will pay for "Covered Move Back Costs" whether or not the tenant(s) move back before the expiration date of this policy.

"Covered Move Back Costs" under this endorsement means documented, reasonable and necessary:

- 1) Costs of packing, insuring and carting business personal property;
- 2) Costs of re-establishing electric utility services, less refunds from discontinued services;
- 3) Costs of assembling and setting up fixtures and equipment; and
- 4) Costs to unpack and re-shelve stock and supplies.
- 5) "Covered Move Back Costs" does not include:
 - a) Loss caused by the termination of a lease or other agreement; or
 - b) Security deposits or other payments, forfeitures or penalties made to the landlord or lessor of other premises.

The most we will pay for "Covered Move Back Costs" is \$5,000 resulting from any one occurrence.

p. Manufacturers Consequential Loss Assumption

We will pay the reduction in value of the remaining parts of "stock" in process of manufacture when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of "stock" in the process of manufacture at the described premises.

The most we will pay in any one occurrence is \$25,000.

q. Forgery or Alteration

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent. We will pay for loss you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no limit of insurance cumulates from year to year or period to period.
- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3) For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.
- (4) We will not pay for loss resulting from any dishonest or criminal acts committed by you or any of your partners, employees, managers, members, officers, directors or trustees whether acting alone or in collusion with others.
- (5) The most we will pay for all loss, including legal expenses, under this Additional Coverage is \$25,000.

"Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and money orders held for sale to the public.

5. Real Property of Others Required by Contract

The following is added to item **b. Your Business Personal Property** of Paragraph **1. Covered Property**:

(8) Real Property coverage including but not limited to building, doors and windows you are responsible for due to contract or lease agreement.

The most we will pay for loss or damage to covered property is \$25,000.

6. Electronic Data

Item f.(4) Electronic Data of paragraph 4. Additional Coverages is deleted and replaced by the following:

(4) The most we will pay under this Additional Coverage – Electronic Data is \$25,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

7. Foundations

Item g. is deleted in its entirety from Paragraph 2., Property Not Covered.

8. Debris Removal

Paragraph A.4.a.(4) is deleted and replaced by the following:

- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
 - (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - **(b)** The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

9. Fire Department Service Charge

Item **c. Fire Department Service Charge** of Paragraph **4. Additional Coverages** is deleted and replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No deductible applies to this Additional Coverage.

10. Pollutant Clean Up and Removal

Item d. Pollutant Clean Up and Removal of Paragraph 4. Additional Coverages is amended as follows:

The most we will pay under this Additional Coverage for each described premises is \$25,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

11. Newly Acquired or Constructed Property

Item **a. Newly Acquired or Constructed Property** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
 - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

- **(b)** This Extension does not apply to:
 - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
 - (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following occurs:

- (a) This policy expires;
- **(b)** 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

12. Personal Effects and Property of Others

Item **b. Personal Effects and Property of Others** of Paragraph **5. Coverage Extensions** is amended as follows:

The most we will pay for loss or damage under this Extension is \$10,000 at each described premises. Our payment for loss of or damage to personal property of others (including property of others held by you on consignment) will only be for the account of the owner of the property.

13. Valuable Papers and Records (Other Than Electronic Data)

Item c. (4) Valuable Papers and Records (Other Than Electronic Data) of Paragraph 5. Coverage Extensions is deleted and replaced by the following:

(4) Under this Extension, the most we will pay to replace or restore the lost information is \$100,000 at each described premises or \$5,000 if it is not at the described premises. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

14. Property Off-Premises

Item **d. Property Off-Premises** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - **(b)** In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition

This Extension applies only if loss or damage is caused by a Covered Cause of Loss. This extension does **not** apply to property in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

- (2) You may extend the insurance provided by this Coverage Form to apply to your personal property in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory. Loss or damage must be caused by or result from one of the following causes of loss:
 - (a) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - **(b)** Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. Collision does not mean the vehicle's contact with the roadbed.
 - (c) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible signs of forced entry.
- (3) The most we will pay for loss or damage under this Extension is \$100,000.
- (4) Coverage under this Extension is extended to cover electronic data in transit. Under this Extension, electronic data has the meaning described in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM under Property Not Covered Electronic Data. The most we will pay for loss or damage to electronic data under this Extension is \$5,000 for all loss or damage sustained in any one

policy year, regardless of the number of occurrences of loss or damage or computer systems involved. This \$5,000 limit is part of and not in addition to the \$25,000 limit in paragraph **A.4.f. Electronic Data** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

15. Outdoor Property

Item e. Outdoor Property of Paragraph 5. Coverage Extensions is deleted and replaced by the following:

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, lighting, lighting standards, radio and television antennas, satellite dish, signs (other than signs attached to buildings), playground equipment, scoreboards, trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is \$25,000, but not more than \$500 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or numbers of items lost or damaged in that occurrence.

16. The following are added to Paragraph **5. Coverage Extensions:**

g. Accounts Receivable

We will pay:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- (4) Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from a Covered Cause of Loss to your records of accounts receivable.

The most we will pay for loss at the described premises under this Extension is \$100,000. The most we will pay for loss away from the described premises under this Extension is \$5,000.

h. Arson Reward (Not available in New York)

We will pay on behalf of the insured up to \$25,000 for information which leads to an arson conviction in connection with a fire loss covered under this Coverage Form. Regardless of the number of persons involved in providing information, our liability under this Coverage Extension will not be increased.

i. Back-Up of Sewers or Drains

We cover direct physical loss or damage caused by water:

- (1) which backs up through sewers or drains; or
- (2) which enters into and overflows from within a sump pump, sump pump well or other type of system designed to remove subsurface water which is drained from the foundation area.

This coverage does not apply if the loss or damage is caused by your negligence.

The most we will pay for loss or damage under this Coverage Extension is \$10,000.

j. Extra Expense

We will pay the actual and necessary Extra Expense you incur due to direct physical loss of or damage to the property at the premises described in the Declarations, including personal property in the open or in a vehicle, within 1,000 feet of the premises, caused by or resulting from any Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

- (i) All routes within the building to gain access to the described premises; and
- (ii) Your personal property in the open (or in a vehicle) within 1000 feet.

The following definitions are added as respects this Coverage Extension:

- (1) Extra Expense means necessary expenses you incur during the period of restoration that you would not have incurred if there had been no direct physical loss or damage:
- (a) To avoid or minimize the suspension of business and to continue operations:
 - 1. At the described premises; or
 - 2. At replacement premises or at temporary locations, including:
 - A. Relocation expenses; or
 - B. Costs to equip and operate the replacement or temporary locations.
- (b) To minimize the suspension of business if you cannot continue operations.
- (c) 1. To repair or replace any property; or
 - 2. To research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Extension .

- (2) Operations mean the type of your business activities occurring at the described premises.
- (3) Period of Restoration means the period of time that:
 - (a) Begins with the date of direct physical loss or damage caused by or resulting from a Covered Cause of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - 1. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - 2. The date when business is resumed at a new permanent location.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that

1. Regulates the construction, use or repair, or requires the tearing down of any property; or

2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

The most we will pay for loss under this Extension is \$10,000.

k. Fine Arts

You may extend the insurance that applies to your Business Personal Property to apply to your fine arts and fine arts owned by others that are in your care, custody or control.

This Extension does not apply to loss or damage caused by or resulting from:

- (1) While fine arts are at any fair or on exhibition;
- (2) Any repairing, restoration or retouching process;
- (3) Insects, birds, rodents or other animals;
- (4) Wear and tear;
- (5) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in the property that causes it to damage or destroy itself;
- (6) Breakage of art glass windows, statuary, marbles, glassware, bric-a-brac, porcelains and similar fragile articles. But we will pay for loss or damage caused directly by fire, lightning, aircraft, theft or attempted theft, cyclone, tornado, windstorm, explosion, vandalism, or by accident to the vehicle carrying the property.

The most we will pay for loss or damage under this Extension is \$25,000.

I. Fire Protective Devices

You may extend the insurance provided by this Coverage Form to apply to recharging or refilling of your fire protective devices that are permanently installed in buildings at the described premises when such devices have been discharged by accident or after being used in fighting a fire. This Extension does not apply to periodic recharge or refilling.

The most we will pay under this Extension is \$10,000 for each separate 12-month period of this policy.

m. Loss of Refrigeration

You may extend the insurance provided by this Coverage Form to apply to direct physical loss of or damage to property owned by you and used in your business or owned by others and in your care, custody or control, contained in any refrigeration or cooling apparatus or equipment resulting from:

- (1) The fluctuation or total interruption of electrical power, either on or off the described premises, due to conditions beyond your control; or
- (2) Mechanical failure of any refrigeration or cooling apparatus or equipment (on premises).

The most we will pay for loss or damage under this Extension is \$25,000.

n. Computer Equipment

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage to "computer equipment" owned by you or similar property of others in your care, custody or control for which you are legally liable, caused by a Covered Cause of Loss.

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage to "laptop/portable computers" owned by you and in your care, custody and control or in the care, custody or control of your employee.

(1) Property Not Covered

We will not cover the following kinds of property under this Extension:

- (a) Property which you rent or lease to others;
- (b) Software or other electronic data;
- **(c)** Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, program documentation or other documents.
- (d) "Computer equipment" held for sale by you;
- (e) "Computer equipment" of others on which you are performing repairs or work;
- (f) "Computer equipment" or that is part of any:
 - (i) Production or processing equipment (such as CAD, CAM or CNC machines);
 - (ii) Equipment used to maintain or service your building (such as heating, ventilating, cooling or alarm systems); or
 - (iii) Communication equipment (such as telephone systems).
- **(g)** Property that is covered under another coverage form of this or any other policy in which such property is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.
- (2) Property In Transit

We will pay for your "computer equipment", or "laptop/portable computer" while in transit.

- (3) Section B. Exclusions, 1.b. Earth Movement of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (4) Section B. Exclusions, 1.e. Utility Services of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (5) Section B. Exclusions, 1.g. Water of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (6) The artificially generated electrical current exclusion, Item **B.2.a.** of the CAUSES OF LOSS SPECIAL FORM, as respects **A.5.n. Computer Equipment**, is deleted in its entirety.
- (7) The mechanical breakdown exclusion, Item **B.2.d.(6)** of the CAUSES OF LOSS SPECIAL FORM, as respects **A.5.n. Computer Equipment**, is deleted and replaced by the following:
 - (6) Mechanical breakdown, failure or derangement, except:

- (a) This exclusion does not apply for the accidental loss or damage caused by a resulting fire or explosion.
- **(b)** This exclusion does not apply if any of the above is sudden and accidental and manifests itself by physical damage to "computer equipment" which requires repair or replacement.
- (8) Loss Payment will be determined as follows:

"Computer equipment" or "laptop/portable computers"

We will pay the least of the following amounts:

- (i) The cost of reasonably restoring that property to its condition immediately before the loss or damage; or
- (ii) The cost of replacing that property with identical property of comparable material and quality and used for the same purpose.

However, when repair or replacement with identical property is not possible, we will pay the cost to replace that property with similar property capable of performing the same functions.

If not repaired or replaced, the property will be valued at its actual cash value.

"Computer Equipment" means a network of electronic machine components capable of accepting information, processing it according to instructions and producing the results in a desired form.

"Laptop/Portable Computers" means "computer equipment" and accessories that are designed to function with it that can easily be carried and is designed to be used at more than one location.

The most we will pay for loss or damage to "computer equipment" under this Extension is \$25,000.

The most we will pay under this Extension for loss or damage to "laptop/portable computers" while away from the described premises is \$5,000.

o. Lock Replacement

You may extend the insurance provided by this Coverage Form to apply to replacement of locks necessitated by theft of Covered Property or theft of keys from the described premises.

The most we will pay for loss under this Coverage Extension is \$2,500 in any one occurrence.

p. Money and Securities

- (1) You may extend the insurance that applies to Business Personal Property to apply to loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:
 - (a) Theft, meaning any act of stealing;
 - **(b)** Disappearance; or
 - (c) Destruction.

- (2) In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:
 - (a) Resulting from accounting or arithmetical errors or omissions;
 - (b) Due to the giving or surrendering of property in any exchange or purchase; or
 - (c) Of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (3) The most we will pay for loss in any one occurrence is:
 - (a) \$25,000 for Inside the Premises for "money" and "securities" while:
 - (i) In or on the described premises; or
 - (ii) Within a bank or savings institution; and
 - (b) \$25,000 for Outside the Premises for "money" and "securities" while anywhere else.
- (4) All loss:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;

is considered one occurrence.

- (5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- (6) "Money" means:
 - (a) Currency, coins and bank notes in current use and having a face value; and
 - (b) Travelers checks, register checks and money orders held for sale to the public.
- (7) "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - (a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - **(b)** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

g. Off-Premises Services Interruption

You may extend the insurance provided by this Coverage Form to apply to loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:

Water Supply Services, meaning the following types of property supplying water to the described premises:

Pumping stations; and

Water mains.

Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (a) Communication transmission lines, including optic fiber transmission lines;
- (b) Coaxial cables; and
- **(c)** Microwave radio relays except satellites.

It does not include above ground communication lines.

- **(3) Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission lines.

It does not include above ground transmission or distribution lines.

The most we will pay under this Extension is \$10,000.

r. Consequential Loss

We will pay up to \$10,000 for the consequential loss of undamaged business personal property.

Consequential Loss, as applicable to this Coverage Extension is the loss of value of an undamaged part or parts of a product which becomes unmarketable. It must be unmarketable due to a physical loss or damage to another part or parts of the product caused by a Covered Cause of Loss.

s. Business Income

We will pay up to \$10,000 for the actual loss of Business Income you sustain due to the necessary suspension of your operations during the period of restoration. The suspension must be caused by direct physical loss or damage to your covered Building or Business Personal Property at premises that are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

- (i) All routes within the building to gain access to the described premises; and
- (ii) Your personal property in the open (or in a vehicle) within 100 feet.

The COINSURANCE Additional Condition does not apply as respects this Coverage Extension.

The following definitions are added as respects this Coverage Extension:

- (1) Business Income means the:
 - (a) Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - (b) Continuing normal operating expenses incurred, including payroll.
- (2) Operations means the type of your business activities occurring at the described premises.
- (3) Period of Restoration means the period of time that:
 - (a) Begins 72 hours after the time of direct physical loss or damage for Business Income coverage caused by or resulting from a Covered Cause of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - 1. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - 2. The date when business is resumed at a new permanent location.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that

- 1. Regulates the construction, use or repair, or requires the tearing down of any property; or
- 2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

t. Business Income – Utility Services Interruption

We will pay up to \$1,000 in any one occurrence for the actual loss of Business Income at the described premises caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following types of property located outside of a covered building described in the Declarations:

- (i) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - i. Pumping stations; and
 - ii. Water mains.
- (ii) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
 - i. Communication transmission lines, including optic fiber transmission lines;
 - ii. Coaxial cables; and
 - iii. Microwave radio relays except satellites.

It does not include above ground communication lines.

- (iii) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - Utility generating plants;
 - ii. Switching stations;
 - iii. Substations;

- iv. Transformers; and
- v. Transmission lines.

It does not include above ground transmission or distribution lines.

u. Business Income - Support Property

If the Declarations show you have Business Income Coverage, the following Additional Coverage is added:

We will pay for the actual loss of business income you sustain due to direct physical loss or damage at the premises of an "income support property" not described in the Declarations, caused by or resulting from any Covered Cause of Loss. "Income support property" means property operated by others on whom you depend to:

- 1) deliver material or services to you, or to others for your account;
- 2) accept your products or services;
- 3) manufacture products for delivery to your customers under contract of sale; or
- 4) attract customers to your business.

The most we will pay for this coverage is \$5,000 in any one occurrence.

v. Employee Tools Coverage

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage by a Covered Cause of Loss to tools owned by your employees while used in your business or when in your building.

However, we will not pay for a loss that is caused by or results from theft or attempted theft of employee tools unless such loss occurs:

- 1) At a building and there is visible evidence of forcible entry or exit on your building; or
- 2) From a locked vehicle and there is visible evidence of forcible entry.

The value of Employee Tools will be determined at actual cash value as of the time of loss or damage.

The most we will pay with respect to employee tools is \$5,000 in any one occurrence.

Coverage provided under this Coverage Extension is subject to a Deductible equal to the Property Deductible shown in the Declarations.

w. Salespersons Samples

You may extend the insurance that applies to Your Business Personal Property to apply to Salespersons' Samples of your stock in trade, including their containers, while they are in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

The most we will pay for loss to Salespersons Samples in any one occurrence is \$5,000 for property in the custody of any one salesperson.

Coverage provided under this Coverage Extension is subject to a Deductible equal to the Property Deductible shown in the Declarations.

x. Loss to Pair or Set

If there is a loss or damage by a Covered Cause of Loss to covered property which is a part of a pair or set, we will pay; at our option, for:

- The cost to repair or replace any part to restore the pair or set to its value before the loss; or
- 2) The difference between the value of the pair or set before and after the loss; or
- 3) The full actual cash value for the pair or set at the time of loss, and you will give us the remainder of the pair or set.

y. Business Personal Property Limit Seasonal Increase

The Limit of Insurance for Business Personal Property will automatically increase by 25% to provide for seasonal variations. This increase will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 90% of your average monthly value during the lesser of:

- 1) The 12-month period immediately preceding the date the loss or damage occurs; or
- 2) The period of time you have been in business as of the date loss occurs.

z. Appurtenant Structures

You may extend the insurance that applies to Building to apply to your storage buildings, your garages and your other appurtenant structures, except outdoor fixtures, at the described premises. The most we will pay for Building loss or damage under this Extension is \$50,000.

You may extend the insurance that applies to Business Personal Property to apply to such property in your storage buildings, your garages and your other appurtenant structures at the described premises. The most we will pay for Business Personal Property loss or damage under this Extension is \$5,000.

B. The second paragraph of Section **C. LIMITS OF INSURANCE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is deleted and replaced by the following:

Signs (Attached)

The most we will pay for loss or damage to outdoor signs attached to buildings is \$25,000 per sign in any one occurrence.

C. The following is added to Section D. DEDUCTIBLE, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Special Deductible Provision

We will deduct from any loss or damage under the Coverage Extensions in any one occurrence the Deductible shown in the Declarations or \$500, whichever is less.

This deductible applies to all Coverage Extensions, except for:

- a. Newly Acquired or Constructed Property; and
- e. Outdoor Property

D. Coinsurance

Section **F. ADDITIONAL CONDITIONS**, Paragraph **1. Coinsurance** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM applies only when the total loss or damage to all Covered Property in any one occurrence is greater than \$10,000.

E. Brands and Labels

The following is added to Section **E. LOSS CONDITIONS**, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM

8. Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may, at our expense:

- **a.** Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- **b.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

The most we will pay under this coverage is \$25,000.

F. Ordinance or Law

- 1. If a Covered Cause of Loss occurs to covered Building property, we will pay:
 - **a.** For the loss in value of the undamaged portion of the building as a consequence of enforcement of any ordinance or law that:
 - (i) Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;
 - (ii) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at a described premises; and
 - (iii) Is in force at the time of loss.
 - **b.** The cost to demolish and clear the site of undamaged parts of the property caused by the enforcement of building, zoning or land use ordinance or law.

The COINSURANCE Additional Condition does not apply to this demolition cost coverage.

- c. The increased cost to:
 - (i) Repair or reconstruct damaged portions of that Building property; and/or

(ii) Reconstruct or remodel undamaged portions of that Building property, whether or not demolition is required;

When the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law.

However:

- (i) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (ii) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The COINSURANCE Additional Condition does not apply to this increased cost of construction coverage.

- 2. We will not pay the increased costs of construction under this coverage:
 - a. Until the property is actually repaired or replaced, at the same or another premises; and
 - **b.** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- 3. We will not pay under this coverage for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
- 4. The most we will pay under this coverage at each described premises is the lesser of:
 - a. 25% of the Limit of Insurance shown in the Declarations for Building Coverage; or
 - **b.** \$100,000.
- **5.** We will not pay for loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged, and
 - **b.** You failed to comply with.
- **G.** The following change is applicable to Section **E. LOSS CONDITIONS** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM .

Manufacturers Selling Price

The following is added to Paragraph **7. Valuation** Loss Condition:

We will determine the value of finished "stock" you manufacture, in the event of loss or damage, at:

- (1) The selling price, as if no loss or damage occurred;
- (2) Less discounts and expenses you otherwise would have had.

H. Dies, Patterns, Mold	as and Forms
Section C. Limitation	ns, Paragraph 3.c. of the CAUSES OF LOSS – SPECIAL FORM is deleted in its entirety.
All other terms and conditio	ns remain unchanged.
1	ncludes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RELIGIOUS ORGANIZATIONS CUSTOM PROTECTOR ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CAUSES OF LOSS - SPECIAL FORM

The following is a summary of increased limits of insurance and additional coverages provided by this endorsement. This endorsement is subject to the provisions of your policy which means that it is subject to all limitations and conditions applicable to this Coverage Part, Coverage Form or Causes of Loss Form unless specifically deleted, replaced, or modified herein. This endorsement is applicable only to those premises described in the Declarations.

Coverage for loss of Business Income or Extra Expense, whether provided by this endorsement or elsewhere, does not apply if a loss is covered only as a result of this endorsement.

If coverage is provided elsewhere in this policy for the same loss or damage as the coverage provided under this endorsement, the coverage under this endorsement will apply excess over that other coverage unless otherwise stated. We will not pay more than the actual amount of the covered loss or damage.

Broadened Premises Additional Covered Property Preservation of Property Preservation Preservatio	Coverage Description	Limit of Insurance
Additional Covered Property Preservation of Property Inventory and Appraisal Employee Dishonesty Money Orders and Counterfeit Money Lost Key Coverage Leasehold Interest Contract Penalty Clause Contract Penalty Clause Contingent Transit Lost Lease Coverage - Lessors Interest Sound Endougheer Sound So		
Preservation of Property Inventory and Appraisal Employee Dishonesty Money Orders and Counterfeit Money Lost Key Coverage Leasehold Interest Contract Penalty Clause Contingent Transit Lost Lease Coverage - Lessors Interest Sound Employee Dishonesty Sound Contingent Transit Lost Lease Coverage - Lessors Interest Sound Contingent Transit Lost Lease Coverage - Lessors Interest Sound Manufacturers Consequential Loss Assumption Forgery or Alteration Real Property of Others Required by Contract Electronic Data Foundations Included Debris Removal Fire Department Service Charge Pollutant Clean Up and Removal Newly Acquired or Constructed Property Buildings		
Inventory and Appraisal \$ 5,000		
S		
Money Orders and Counterfeit Money \$ 25,000 Lost Key Coverage \$ 2,500 Leasehold Interest \$ 10,000 Contract Penalty Clause \$ 5,000 Contingent Transit \$ 5,000 Lost Lease Coverage – Lessors Interest \$ 5,000 Tenant Move Back Coverage \$ 5,000 Manufacturers Consequential Loss Assumption \$ 25,000 Forgery or Alteration \$ 25,000 Real Property of Others Required by Contract \$ 25,000 Electronic Data \$ 25,000 Foundations Included Debris Removal \$ 25,000 Fire Department Service Charge \$ 25,000 Pollutant Clean Up and Removal \$ 25,000 Newly Acquired or Constructed Property 180 days Buildings \$ 500,000 Business Personal Property \$ 250,000 Personal Effects and Property of Others \$ 10,000 Valuable Papers and Records (Other Than Electronic Data) \$ 5,000 On Premises \$ 5,000 Property Off-Premises (Including while in Transit) \$ 100,000 Ottdoor Property <		
Lost Key Coverage \$ 2,500 Leasehold Interest \$ 10,000 Contract Penalty Clause \$ 5,000 Contingent Transit \$ 5,000 Lost Lease Coverage – Lessors Interest \$ 5,000 Tenant Move Back Coverage \$ 5,000 Manufacturers Consequential Loss Assumption \$ 25,000 Forgery or Alteration \$ 25,000 Real Property of Others Required by Contract \$ 25,000 Electronic Data \$ 25,000 Foundations Included Debris Removal \$ 25,000 Fire Department Service Charge \$ 25,000 Pollutant Clean Up and Removal \$ 25,000 Newly Acquired or Constructed Property 180 days Buildings \$ 500,000 Resonal Effects and Property of Others \$ 10,000 Valuable Papers and Records (Other Than Electronic Data) \$ 100,000 Off Premises \$ 5,000 Property Off-Premises (Including while in Transit) \$ 100,000 Electronic Data in Transit \$ 5,000 Outdoor Property \$ 25,000 Accounts Receivable \$ 5,000		
Leasehold Interest Contract Penalty Clause Contingent Transit Lost Lease Coverage – Lessors Interest Tenant Move Back Coverage Manufacturers Consequential Loss Assumption Forgery or Alteration Real Property of Others Required by Contract Electronic Data Foundations Foundations Forgery or Alteration Real Property of Others Required by Contract Electronic Data Foundations Found		
Tenant Move Back Coverage Manufacturers Consequential Loss Assumption Forgery or Alteration Real Property of Others Required by Contract Electronic Data Foundations Foundations Debris Removal Fire Department Service Charge Pollutant Clean Up and Removal Newly Acquired or Constructed Property Buildings Business Personal Property Personal Effects and Property of Others Valuable Papers and Records (Other Than Electronic Data) On Premises Off Premises Property Off-Premises (Including while in Transit) Electronic Data in Transit On Premises On Premises On Premises On Premises Fig.000 Poundoor Property Accounts Receivable On Premises Off Premises So,000 Arson Reward (Not available in New York) \$ 25,000	,	\$ 10.000
Tenant Move Back Coverage Manufacturers Consequential Loss Assumption Forgery or Alteration Real Property of Others Required by Contract Electronic Data Foundations Foundations Debris Removal Fire Department Service Charge Pollutant Clean Up and Removal Newly Acquired or Constructed Property Buildings Business Personal Property Personal Effects and Property of Others Valuable Papers and Records (Other Than Electronic Data) On Premises Off Premises Property Off-Premises (Including while in Transit) Electronic Data in Transit On Premises On Premises On Premises On Premises Fig.000 Poundoor Property Accounts Receivable On Premises Off Premises So,000 Arson Reward (Not available in New York) \$ 25,000	Contract Penalty Clause	\$ 5,000
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Arson Reward (Not available in New York) \$ 25,000	On Premises	\$100,000
,	Off Premises	
Back-up of Sewers or Drains \$ 10,000	Arson Reward (Not available in New York)	\$ 25,000
	Back-up of Sewers or Drains	\$ 10,000

Extra Expense Coverage Description	\$ 10,000 Limit of Insurance
Fine Arts	\$ 25,000
Fire Protective Devices	\$ 10,000
Loss of Refrigeration	\$ 25,000
Computer Equipment	\$ 25,000
Laptop/Portable Computers	\$ 5,000
Lock Replacement	\$ 2,500
Money and Securities	
Inside the Premises	\$ 25,000
Outside the Premises	\$ 25,000
Off-Premises Services Interruption	\$ 10,000
Consequential Loss	\$ 10,000
Business Income	\$ 10,000
Business Income – Utility Services Interruption	\$ 1,000
Business Income – Support Property	\$ 5,000
Employee Tools Coverage	\$ 5,000
Salespersons Samples	\$ 5,000
Loss to Pair or Set	Included
Business Personal Property Limit Seasonal Increase	25%
Appurtenant Structures	
Buildings	\$ 50,000
Business Personal Property	\$ 5,000
Signs (Attached)	\$ 25,000
Special Deductible Provision	Included
Waiver of Coinsurance on losses \$10,000 or less	Included
Brands and Labels	\$ 25,000
Ordinance or Law	25% of the Building Limit subject to \$100,000 maximum
Manufacturers Selling Price	Included
Dies, Patterns, Molds and Forms	Included in Business Personal Property Limit

A. The following changes apply to Section **A. COVERAGE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

1. Broadened Premises

The within 100 feet of the described premises description stated in Paragraph A.1.a.(5)(b), Building, Paragraph A.1.b., Your Business Personal Property, Paragraph A.1.c.(2), Personal Property of Others and Paragraph A.5., Coverage Extensions is deleted and replaced by within 1000 feet of the described premises.

2. Additional Covered Property

The following are added to item **a. Building** of Paragraph **1. Covered Property**:

- (6) Bridges, roadways, walks, patios or other paved surfaces;
- (7) Retaining walls (except retaining walls used to contain water) that are not part of a building.

Item 6 listed above is deleted from paragraph 2. Property Not Covered.

Item I. of paragraph 2., Property Not Covered is deleted and replaced by the following:

I. Retaining walls used to contain water.

3. Paragraph A.4. Additional Coverages is amended as follows:

b. Preservation of Property

The 30 day limitation in paragraph A.4.b.(2) is increased to 90 days.

4. The following are added to paragraph A.4. Additional Coverages:

g. Inventory and Appraisal

We will pay up to \$2,500 for inventory costs and \$2,500 for appraisal costs due to loss or damage as a result of a Covered Cause of Loss to covered property. We will only pay if the costs are incurred and are reasonable and necessary to establish the amount of the loss. Attorney or public adjuster fees are not covered costs under this section.

h. Employee Dishonesty

- We will pay for direct loss of or damage to business personal property, including money and securities, resulting from dishonest acts committed by any of your employees acting alone, or in collusion with other persons (except you or your partner) with the manifest intent to:
 - a) Cause you to sustain loss or damage; and
 - b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - i) Any employee; or
 - ii) Any other person or organization.
- 2) We will not pay for loss or damage:
 - Resulting from any dishonest or criminal act that you or any of your partners commit whether acting alone or in collusion with other persons; or
 - b) The only proof of which as to its existence or amount is dependent upon:
 - i) An inventory computation; or
 - ii) A profit and loss computation.
- 3) The most we will pay for loss or damage in any one occurrence is \$25,000.
- 4) All loss or damage:
 - a) Caused by one or more persons; or
 - b) Involving a single act or series of related acts; is considered one occurrence.
- 5) If any loss is covered:
 - a) Partly by this insurance; and
 - b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest,

the most we will pay is the larger amount recoverable under this insurance or the prior insurance.

6) We will pay for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- 7) This Additional Coverage does not apply to the dishonest act of any employee that occurs after the discovery by:
 - a) You; or
 - b) Any of your partners, officers, directors or trustees not in collusion with the employee

of any dishonest act committed by that employee whether before or after becoming employed by you.

- 8) Will pay only for covered loss or damage discovered no later than one year from the end of the Policy Period
- 9) If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
 - (a) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
 - (b) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- 10) The insurance under paragraph (9) above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
 - (a) This Additional Coverage as of its effective date; or
 - (b) The prior insurance had it remained in effect.

Coverage provided under this Additional Coverage is subject to a Deductible equal to the Property Deductible shown in the Declarations.

"Employee" means:

- Any natural person:
 - a. While in your service and for 30 days after termination of service; and
 - b. Whom you compensate directly by salary, wages or commissions; and
 - c. Whom you have the right to direct and control while performing services for you; or
- 2) Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the premises.

But "employee" does not mean any:

- Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

i. Money Orders and Counterfeit Money

We will pay for your loss when you accept in good faith:

 Any money order in exchange for goods or services if the money order is not paid when presented to the issuer; or 2) Counterfeit U.S. or Canadian paper money in the regular course of business.

The most we will pay under this additional coverage is \$25,000 in any one occurrence.

j. Lost Key Coverage

We will pay for consequential loss to keys and locks if a master key or grand master key is lost or damaged resulting from a Covered Cause of Loss. We will pay for the actual cost to replace keys, adjustment of locks to accept new keys, or if required, new locks, including the cost of their installation.

The most we will pay for loss or damage under this coverage is \$2,500 in any one occurrence.

k. Leasehold Interest

We will pay for loss of "tenants lease interest" you sustain due to the cancellation of your lease. The cancellation must result from direct physical loss or damage at a premises described in the Declarations due to a Covered Cause of Loss.

"Tenants lease interest" means the difference between the rent you will pay under a new lease at the described premises; or elsewhere, and the rent you now pay.

The most we will pay for such loss is the least of:

- a) The total difference in rent based on the period of time remaining under your current lease; or
- b) The total difference in rent for one year; or
- c) \$10,000.

I. Contract Penalty Clause

We will pay the contract penalties you are required to pay to your customers as a result of any written clause in your contract for failure to timely deliver your product or service according to contract terms, provided the contract was executed prior to the loss or damage. The penalties must solely result from direct physical loss or damage by a Covered Cause of Loss to covered property. The most we will pay for penalties for all contracts in any one occurrence is \$5,000.

m. Contingent Transit

We cover the goods you sell to others which are shipped to them at their risk of loss, but only if you cannot collect on the bill of sale because:

- The goods have been damaged by a Covered Cause of Loss applying to your business personal property; and
- 2) your customer has refused or is unable to pay.

If this occurs, we will adjust the loss as if this were your property. The most we will pay for loss or damage in any one occurrence is \$5,000.

Coverage provided under this Additional Coverage is subject to a deductible equal to the Property Deductible shown in the Declarations.

n. Lost Lease Coverage – Lessors Interest

If the Declarations show you have Business Income Coverage, the form is amended to include the following:

- We will pay for loss you sustain due to the cancellation of lease contracts by your tenants when the reason for cancellation of the lease is direct physical loss or damage to the leased premises caused by or resulting from a Covered Cause of Loss during the policy period.
- 2) We will not pay for any loss caused by:
 - a) Your canceling the lease;
 - b) The suspension, lapse or cancellation of any license; or
 - c) Any other consequential loss.
- 3) The most we will pay under this coverage is:
 - a) The difference between the rent actually paid at the described premises and the anticipated rental value of the described premises that you lease for:
 - i) 12 months immediately following the period of restoration; or
 - ii) for the period beginning with the end of the period of restoration and ending with the normal expiration date of each canceled lease; or
 - iii) \$5,000 at any one location,

whichever is less.

o. Tenant Move Back Coverage

We will pay expenses incurred by you for "Covered Move Back Costs" of tenants who temporarily vacate a portion of a covered building property at the premises described in the Declarations. The vacancy must have occurred while the portion of the covered building property rented by the tenant could not be occupied due to direct physical loss or damage to your Covered Property caused by or resulting from any Covered Cause of Loss during the policy period. The move back must take place within 60 days after the portion of the covered building property rented by the tenant has been repaired or rebuilt and is ready for occupancy.

We will pay for "Covered Move Back Costs" whether or not the tenant(s) move back before the expiration date of this policy.

"Covered Move Back Costs" under this endorsement means documented, reasonable and necessary:

- 1) Costs of packing, insuring and carting business personal property;
- 2) Costs of re-establishing electric utility services, less refunds from discontinued services;
- 3) Costs of assembling and setting up fixtures and equipment; and
- 4) Costs to unpack and re-shelve stock and supplies.
- 5) "Covered Move Back Costs" does not include:
 - a) Loss caused by the termination of a lease or other agreement; or
 - b) Security deposits or other payments, forfeitures or penalties made to the landlord or lessor of other premises.

The most we will pay for "Covered Move Back Costs" is \$5,000 resulting from any one occurrence.

p. Manufacturers Consequential Loss Assumption

We will pay the reduction in value of the remaining parts of "stock" in process of manufacture when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of "stock" in the process of manufacture at the described premises.

The most we will pay in any one occurrence is \$25,000.

q. Forgery or Alteration

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent. We will pay for loss you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no limit of insurance cumulates from year to year or period to period.
- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3) For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.
- (4) We will not pay for loss resulting from any dishonest or criminal acts committed by you or any of your partners, employees, managers, members, officers, directors or trustees whether acting alone or in collusion with others.
- (5) The most we will pay for all loss, including legal expenses, under this Additional Coverage is \$25,000.

"Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and money orders held for sale to the public.

5. Real Property of Others Required by Contract

The following is added to item **b. Your Business Personal Property** of Paragraph **1. Covered Property**:

(8) Real Property coverage including but not limited to building, doors and windows you are responsible for due to contract or lease agreement.

The most we will pay for loss or damage to covered property is \$25,000.

6. Electronic Data

Item f.(4) Electronic Data of paragraph 4. Additional Coverages is deleted and replaced by the following:

(4) The most we will pay under this Additional Coverage – Electronic Data is \$25,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

7. Foundations

Item g. is deleted in its entirety from Paragraph 2., Property Not Covered.

8. Debris Removal

Paragraph A.4.a.(4) is deleted and replaced by the following:

- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
 - (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - **(b)** The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

9. Fire Department Service Charge

Item **c. Fire Department Service Charge** of Paragraph **4. Additional Coverages** is deleted and replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No deductible applies to this Additional Coverage.

10. Pollutant Clean Up and Removal

Item d. Pollutant Clean Up and Removal of Paragraph 4. Additional Coverages is amended as follows:

The most we will pay under this Additional Coverage for each described premises is \$25,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

11. Newly Acquired or Constructed Property

Item **a. Newly Acquired or Constructed Property** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
 - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

- **(b)** This Extension does not apply to:
 - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
 - (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following occurs:

- (a) This policy expires;
- **(b)** 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

12. Personal Effects and Property of Others

Item **b. Personal Effects and Property of Others** of Paragraph **5. Coverage Extensions** is amended as follows:

The most we will pay for loss or damage under this Extension is \$10,000 at each described premises. Our payment for loss of or damage to personal property of others (including property of others held by you on consignment) will only be for the account of the owner of the property.

13. Valuable Papers and Records (Other Than Electronic Data)

Item c. (4) Valuable Papers and Records (Other Than Electronic Data) of Paragraph 5. Coverage Extensions is deleted and replaced by the following:

(4) Under this Extension, the most we will pay to replace or restore the lost information is \$100,000 at each described premises or \$5,000 if it is not at the described premises. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

14. Property Off-Premises

Item **d. Property Off-Premises** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - **(b)** In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition

This Extension applies only if loss or damage is caused by a Covered Cause of Loss. This extension does **not** apply to property in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

- (2) You may extend the insurance provided by this Coverage Form to apply to your personal property in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory. Loss or damage must be caused by or result from one of the following causes of loss:
 - (a) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - **(b)** Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. Collision does not mean the vehicle's contact with the roadbed.
 - (c) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible signs of forced entry.
- (3) The most we will pay for loss or damage under this Extension is \$100,000.
- (4) Coverage under this Extension is extended to cover electronic data in transit. Under this Extension, electronic data has the meaning described in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM under Property Not Covered Electronic Data. The most we will pay for loss or damage to electronic data under this Extension is \$5,000 for all loss or damage sustained in any one

policy year, regardless of the number of occurrences of loss or damage or computer systems involved. This \$5,000 limit is part of and not in addition to the \$25,000 limit in paragraph **A.4.f. Electronic Data** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

15. Outdoor Property

Item e. Outdoor Property of Paragraph 5. Coverage Extensions is deleted and replaced by the following:

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, lighting, lighting standards, radio and television antennas, satellite dish, signs (other than signs attached to buildings), playground equipment, scoreboards, trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is \$25,000, but not more than \$500 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or numbers of items lost or damaged in that occurrence.

16. The following are added to Paragraph **5. Coverage Extensions:**

g. Accounts Receivable

We will pay:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- (4) Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from a Covered Cause of Loss to your records of accounts receivable.

The most we will pay for loss at the described premises under this Extension is \$100,000. The most we will pay for loss away from the described premises under this Extension is \$5,000.

h. Arson Reward (Not available in New York)

We will pay on behalf of the insured up to \$25,000 for information which leads to an arson conviction in connection with a fire loss covered under this Coverage Form. Regardless of the number of persons involved in providing information, our liability under this Coverage Extension will not be increased.

i. Back-Up of Sewers or Drains

We cover direct physical loss or damage caused by water:

- (1) which backs up through sewers or drains; or
- (2) which enters into and overflows from within a sump pump, sump pump well or other type of system designed to remove subsurface water which is drained from the foundation area.

This coverage does not apply if the loss or damage is caused by your negligence.

The most we will pay for loss or damage under this Coverage Extension is \$10,000.

j. Extra Expense

We will pay the actual and necessary Extra Expense you incur due to direct physical loss of or damage to the property at the premises described in the Declarations, including personal property in the open or in a vehicle, within 1,000 feet of the premises, caused by or resulting from any Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

- (i) All routes within the building to gain access to the described premises; and
- (ii) Your personal property in the open (or in a vehicle) within 1000 feet.

The following definitions are added as respects this Coverage Extension:

- (1) Extra Expense means necessary expenses you incur during the period of restoration that you would not have incurred if there had been no direct physical loss or damage:
- (a) To avoid or minimize the suspension of business and to continue operations:
 - 1. At the described premises; or
 - 2. At replacement premises or at temporary locations, including:
 - A. Relocation expenses; or
 - B. Costs to equip and operate the replacement or temporary locations.
- (b) To minimize the suspension of business if you cannot continue operations.
- (c) 1. To repair or replace any property; or
 - 2. To research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Extension .

- (2) Operations mean the type of your business activities occurring at the described premises.
- (3) Period of Restoration means the period of time that:
 - (a) Begins with the date of direct physical loss or damage caused by or resulting from a Covered Cause of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - 1. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - 2. The date when business is resumed at a new permanent location.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that

1. Regulates the construction, use or repair, or requires the tearing down of any property; or

2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

The most we will pay for loss under this Extension is \$10,000.

k. Fine Arts

You may extend the insurance that applies to your Business Personal Property to apply to your fine arts and fine arts owned by others that are in your care, custody or control.

This Extension does not apply to loss or damage caused by or resulting from:

- (1) While fine arts are at any fair or on exhibition;
- (2) Any repairing, restoration or retouching process;
- (3) Insects, birds, rodents or other animals;
- (4) Wear and tear;
- (5) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in the property that causes it to damage or destroy itself;
- **(6)** Breakage of art glass windows, statuary, marbles, glassware, bric-a-brac, porcelains and similar fragile articles. But we will pay for loss or damage caused directly by fire, lightning, aircraft, theft or attempted theft, cyclone, tornado, windstorm, explosion, vandalism, or by accident to the vehicle carrying the property.

The most we will pay for loss or damage under this Extension is \$25,000.

I. Fire Protective Devices

You may extend the insurance provided by this Coverage Form to apply to recharging or refilling of your fire protective devices that are permanently installed in buildings at the described premises when such devices have been discharged by accident or after being used in fighting a fire. This Extension does not apply to periodic recharge or refilling.

The most we will pay under this Extension is \$10,000 for each separate 12-month period of this policy.

m. Loss of Refrigeration

You may extend the insurance provided by this Coverage Form to apply to direct physical loss of or damage to property owned by you and used in your business or owned by others and in your care, custody or control, contained in any refrigeration or cooling apparatus or equipment resulting from:

- (1) The fluctuation or total interruption of electrical power, either on or off the described premises, due to conditions beyond your control; or
- (2) Mechanical failure of any refrigeration or cooling apparatus or equipment (on premises).

The most we will pay for loss or damage under this Extension is \$25,000.

n. Computer Equipment

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage to "computer equipment" owned by you or similar property of others in your care, custody or control for which you are legally liable, caused by a Covered Cause of Loss.

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage to "laptop/portable computers" owned by you and in your care, custody and control or in the care, custody or control of your employee.

(1) Property Not Covered

We will not cover the following kinds of property under this Extension:

- (a) Property which you rent or lease to others;
- (b) Software or other electronic data;
- **(c)** Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, program documentation or other documents.
- (d) "Computer equipment" held for sale by you;
- (e) "Computer equipment" of others on which you are performing repairs or work;
- (f) "Computer equipment" or that is part of any:
 - (i) Production or processing equipment (such as CAD, CAM or CNC machines);
 - (ii) Equipment used to maintain or service your building (such as heating, ventilating, cooling or alarm systems); or
 - (iii) Communication equipment (such as telephone systems).
- **(g)** Property that is covered under another coverage form of this or any other policy in which such property is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.
- (2) Property In Transit

We will pay for your "computer equipment", or "laptop/portable computer" while in transit.

- (3) Section B. Exclusions, 1.b. Earth Movement of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (4) Section B. Exclusions, 1.e. Utility Services of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (5) Section B. Exclusions, 1.g. Water of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (6) The artificially generated electrical current exclusion, Item **B.2.a.** of the CAUSES OF LOSS SPECIAL FORM, as respects **A.5.n. Computer Equipment**, is deleted in its entirety.
- (7) The mechanical breakdown exclusion, Item **B.2.d.(6)** of the CAUSES OF LOSS SPECIAL FORM, as respects **A.5.n. Computer Equipment**, is deleted and replaced by the following:
 - (6) Mechanical breakdown, failure or derangement, except:

- (a) This exclusion does not apply for the accidental loss or damage caused by a resulting fire or explosion.
- **(b)** This exclusion does not apply if any of the above is sudden and accidental and manifests itself by physical damage to "computer equipment" which requires repair or replacement.
- (8) Loss Payment will be determined as follows:

"Computer equipment" or "laptop/portable computers"

We will pay the least of the following amounts:

- The cost of reasonably restoring that property to its condition immediately before the loss or damage; or
- (ii) The cost of replacing that property with identical property of comparable material and quality and used for the same purpose.

However, when repair or replacement with identical property is not possible, we will pay the cost to replace that property with similar property capable of performing the same functions.

If not repaired or replaced, the property will be valued at its actual cash value.

"Computer Equipment" means a network of electronic machine components capable of accepting information, processing it according to instructions and producing the results in a desired form.

"Laptop/Portable Computers" means "computer equipment" and accessories that are designed to function with it that can easily be carried and is designed to be used at more than one location.

The most we will pay for loss or damage to "computer equipment" under this Extension is \$25,000.

The most we will pay under this Extension for loss or damage to "laptop/portable computers" while away from the described premises is \$5,000.

o. Lock Replacement

You may extend the insurance provided by this Coverage Form to apply to replacement of locks necessitated by theft of Covered Property or theft of keys from the described premises.

The most we will pay for loss under this Coverage Extension is \$2,500 in any one occurrence.

p. Money and Securities

- (1) You may extend the insurance that applies to Business Personal Property to apply to loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:
 - (a) Theft, meaning any act of stealing;
 - **(b)** Disappearance; or
 - (c) Destruction.

- (2) In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:
 - (a) Resulting from accounting or arithmetical errors or omissions;
 - (b) Due to the giving or surrendering of property in any exchange or purchase; or
 - (c) Of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (3) The most we will pay for loss in any one occurrence is:
 - (a) \$25,000 for Inside the Premises for "money" and "securities" while:
 - (i) In or on the described premises; or
 - (ii) Within a bank or savings institution; and
 - (b) \$25,000 for Outside the Premises for "money" and "securities" while anywhere else.
- (4) All loss:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;

is considered one occurrence.

- (5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- (6) "Money" means:
 - (a) Currency, coins and bank notes in current use and having a face value; and
 - (b) Travelers checks, register checks and money orders held for sale to the public.
- (7) "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - (a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - **(b)** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

q. Off-Premises Services Interruption

You may extend the insurance provided by this Coverage Form to apply to loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:

Water Supply Services, meaning the following types of property supplying water to the described premises:

Pumping stations; and

Water mains.

Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (a) Communication transmission lines, including optic fiber transmission lines;
- (b) Coaxial cables; and
- **(c)** Microwave radio relays except satellites.

It does not include above ground communication lines.

- **(3) Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission lines.

It does not include above ground transmission or distribution lines.

The most we will pay under this Extension is \$10,000.

r. Consequential Loss

We will pay up to \$10,000 for the consequential loss of undamaged business personal property.

Consequential Loss, as applicable to this Coverage Extension is the loss of value of an undamaged part or parts of a product which becomes unmarketable. It must be unmarketable due to a physical loss or damage to another part or parts of the product caused by a Covered Cause of Loss.

s. Business Income

We will pay up to \$10,000 for the actual loss of Business Income you sustain due to the necessary suspension of your operations during the period of restoration. The suspension must be caused by direct physical loss or damage to your covered Building or Business Personal Property at premises that are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

- (i) All routes within the building to gain access to the described premises; and
- (ii) Your personal property in the open (or in a vehicle) within 100 feet.

The COINSURANCE Additional Condition does not apply as respects this Coverage Extension.

The following definitions are added as respects this Coverage Extension:

- (1) Business Income means the:
 - (a) Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - (b) Continuing normal operating expenses incurred, including payroll.
- (2) Operations means the type of your business activities occurring at the described premises.
- (3) Period of Restoration means the period of time that:
 - (a) Begins 72 hours after the time of direct physical loss or damage for Business Income coverage caused by or resulting from a Covered Cause of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - 1. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - 2. The date when business is resumed at a new permanent location.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that

- 1. Regulates the construction, use or repair, or requires the tearing down of any property; or
- 2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

t. Business Income – Utility Services Interruption

We will pay up to \$1,000 in any one occurrence for the actual loss of Business Income at the described premises caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following types of property located outside of a covered building described in the Declarations:

- (i) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - i. Pumping stations; and
 - ii. Water mains.
- (ii) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
 - i. Communication transmission lines, including optic fiber transmission lines;
 - ii. Coaxial cables; and
 - iii. Microwave radio relays except satellites.

It does not include above ground communication lines.

- (iii) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - Utility generating plants;
 - ii. Switching stations;
 - iii. Substations;

- iv. Transformers; and
- v. Transmission lines.

It does not include above ground transmission or distribution lines.

u. Business Income - Support Property

If the Declarations show you have Business Income Coverage, the following Additional Coverage is added:

We will pay for the actual loss of business income you sustain due to direct physical loss or damage at the premises of an "income support property" not described in the Declarations, caused by or resulting from any Covered Cause of Loss. "Income support property" means property operated by others on whom you depend to:

- 1) deliver material or services to you, or to others for your account;
- 2) accept your products or services;
- 3) manufacture products for delivery to your customers under contract of sale; or
- 4) attract customers to your business.

The most we will pay for this coverage is \$5,000 in any one occurrence.

v. Employee Tools Coverage

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage by a Covered Cause of Loss to tools owned by your employees while used in your business or when in your building.

However, we will not pay for a loss that is caused by or results from theft or attempted theft of employee tools unless such loss occurs:

- 1) At a building and there is visible evidence of forcible entry or exit on your building; or
- 2) From a locked vehicle and there is visible evidence of forcible entry.

The value of Employee Tools will be determined at actual cash value as of the time of loss or damage.

The most we will pay with respect to employee tools is \$5,000 in any one occurrence.

Coverage provided under this Coverage Extension is subject to a Deductible equal to the Property Deductible shown in the Declarations.

w. Salespersons Samples

You may extend the insurance that applies to Your Business Personal Property to apply to Salespersons' Samples of your stock in trade, including their containers, while they are in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

The most we will pay for loss to Salespersons Samples in any one occurrence is \$5,000 for property in the custody of any one salesperson.

Coverage provided under this Coverage Extension is subject to a Deductible equal to the Property Deductible shown in the Declarations.

x. Loss to Pair or Set

If there is a loss or damage by a Covered Cause of Loss to covered property which is a part of a pair or set, we will pay; at our option, for:

- The cost to repair or replace any part to restore the pair or set to its value before the loss; or
- 2) The difference between the value of the pair or set before and after the loss; or
- 3) The full actual cash value for the pair or set at the time of loss, and you will give us the remainder of the pair or set.

y. Business Personal Property Limit Seasonal Increase

The Limit of Insurance for Business Personal Property will automatically increase by 25% to provide for seasonal variations. This increase will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 90% of your average monthly value during the lesser of:

- 1) The 12-month period immediately preceding the date the loss or damage occurs; or
- 2) The period of time you have been in business as of the date loss occurs.

z. Appurtenant Structures

You may extend the insurance that applies to Building to apply to your storage buildings, your garages and your other appurtenant structures, except outdoor fixtures, at the described premises. The most we will pay for Building loss or damage under this Extension is \$50,000.

You may extend the insurance that applies to Business Personal Property to apply to such property in your storage buildings, your garages and your other appurtenant structures at the described premises. The most we will pay for Business Personal Property loss or damage under this Extension is \$5,000.

B. The second paragraph of Section **C. LIMITS OF INSURANCE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is deleted and replaced by the following:

Signs (Attached)

The most we will pay for loss or damage to outdoor signs attached to buildings is \$25,000 per sign in any one occurrence.

C. The following is added to Section **D. DEDUCTIBLE**, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Special Deductible Provision

We will deduct from any loss or damage under the Coverage Extensions in any one occurrence the Deductible shown in the Declarations or \$500, whichever is less.

This deductible applies to all Coverage Extensions, except for:

- a. Newly Acquired or Constructed Property; and
- e. Outdoor Property

D. Coinsurance

Section **F. ADDITIONAL CONDITIONS**, Paragraph **1. Coinsurance** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM applies only when the total loss or damage to all Covered Property in any one occurrence is greater than \$10,000.

E. Brands and Labels

The following is added to Section **E. LOSS CONDITIONS**, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM

8. Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may, at our expense:

- **a.** Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- **b.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

The most we will pay under this coverage is \$25,000.

F. Ordinance or Law

- 1. If a Covered Cause of Loss occurs to covered Building property, we will pay:
 - **a.** For the loss in value of the undamaged portion of the building as a consequence of enforcement of any ordinance or law that:
 - (i) Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;
 - (ii) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at a described premises; and
 - (iii) Is in force at the time of loss.
 - **b.** The cost to demolish and clear the site of undamaged parts of the property caused by the enforcement of building, zoning or land use ordinance or law.

The COINSURANCE Additional Condition does not apply to this demolition cost coverage.

- c. The increased cost to:
 - (i) Repair or reconstruct damaged portions of that Building property; and/or

(ii) Reconstruct or remodel undamaged portions of that Building property, whether or not demolition is required;

When the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law.

However:

- (i) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (ii) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The COINSURANCE Additional Condition does not apply to this increased cost of construction coverage.

- 2. We will not pay the increased costs of construction under this coverage:
 - a. Until the property is actually repaired or replaced, at the same or another premises; and
 - **b.** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- 3. We will not pay under this coverage for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
- 4. The most we will pay under this coverage at each described premises is the lesser of:
 - a. 25% of the Limit of Insurance shown in the Declarations for Building Coverage; or
 - **b.** \$100,000.
- **5.** We will not pay for loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged, and
 - **b.** You failed to comply with.
- **G.** The following change is applicable to Section **E. LOSS CONDITIONS** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM .

Manufacturers Selling Price

The following is added to Paragraph **7. Valuation** Loss Condition:

We will determine the value of finished "stock" you manufacture, in the event of loss or damage, at:

- (1) The selling price, as if no loss or damage occurred;
- (2) Less discounts and expenses you otherwise would have had.

H. Dies, Patterns, Mold	as and Forms	
Section C. Limitations , Paragraph 3.c. of the CAUSES OF LOSS – SPECIAL FORM is deleted in its entirety.		
All other terms and conditio	ns remain unchanged.	
1.	ncludes copyrighted material of Insurance Services Office, Inc., with its permission.	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDOMINIUM CUSTOM PROTECTOR ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CONDOMINIUM ASSOCIATION COVERAGE FORM CAUSES OF LOSS - SPECIAL FORM

The following is a summary of increased limits of insurance and additional coverages provided by this endorsement. This endorsement is subject to the provisions of your policy which means that it is subject to all limitations and conditions applicable to this Coverage Part, Coverage Form or Causes of Loss Form unless specifically deleted, replaced, or modified herein. This endorsement is applicable only to those premises described in the Declarations.

Coverage for loss of Business Income or Extra Expense, whether provided by this endorsement or elsewhere, does not apply if a loss is covered only as a result of this endorsement.

If coverage is provided elsewhere in this policy for the same loss or damage as the coverage provided under this endorsement, the coverage under this endorsement will apply excess over that other coverage unless otherwise stated. We will not pay more than the actual amount of the covered loss or damage.

Coverage Description	Limit of Insurance
Broadened Premises	Included
Additional Covered Property	Included
Preservation of Property	90 days
Inventory and Appraisal	\$ 5,000
Employee Dishonesty	\$ 25,000
Money Orders and Counterfeit Money	\$ 25,000
Lost Key Coverage	\$ 2,500
Leasehold Interest	\$ 10,000
Contract Penalty Clause	\$ 5,000
Contingent Transit	\$ 5,000 \$ 5,000
Lost Lease Coverage – Lessors Interest	\$ 5,000
Tenant Move Back Coverage	\$ 5,000
Manufacturers Consequential Loss Assumption	\$ 25,000
Forgery or Alteration	\$ 25,000
Real Property of Others Required by Contract	\$ 25,000
Electronic Data	\$ 25,000
Foundations	Included
Debris Removal	\$ 25,000
Fire Department Service Charge	\$ 25,000
Pollutant Clean Up and Removal	\$ 25,000
Newly Acquired or Constructed Property	180 days
Buildings	\$ 500,000
Business Personal Property	\$ 250,000
Personal Effects and Property of Others	\$ 10,000
Valuable Papers and Records (Other Than Electronic Data)	
On Premises	\$100,000
Off Premises	\$ 5,000
Property Off-Premises (Including while in Transit)	\$100,000
Electronic Data in Transit	\$ 5,000
Outdoor Property	\$ 25,000
Accounts Receivable	. ,
On Premises	\$100,000
Off Premises	\$ 5,000
Arson Reward (Not available in New York)	\$ 25,000
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Back-up of Sewers or Drains	\$ 10,000
Extra Expense	\$ 10,000
Coverage Description	Limit of Insurance
Fine Arts	\$ 25,000
Fire Protective Devices	\$ 10,000
Loss of Refrigeration	\$ 25,000
Computer Equipment	\$ 25,000
Laptop/Portable Computers	\$ 5,000
Lock Replacement	\$ 2,500
Money and Securities	Ψ 2,000
Inside the Premises	\$ 25,000
Outside the Premises	\$ 25,000
Off-Premises Services Interruption	\$ 10,000
Consequential Loss	\$ 10,000
Business Income	\$ 10,000
Business Income – Utility Services Interruption	\$ 1,000
Business Income – Support Property	\$ 5,000
Employee Tools Coverage	\$ 5,000
Salespersons Samples	\$ 5,000
Loss to Pair or Set	Included
Business Personal Property Limit Seasonal Increase	25%
Appurtenant Structures	
Buildings	\$ 50,000
Business Personal Property	\$ 5,000
Signs (Attached)	\$ 25,000
Special Deductible Provision	Included
Waiver of Coinsurance on losses \$10,000 or less	Included
Brands and Labels	\$ 25,000
Ordinance or Law	25% of the Building Limit subject to \$100,000 maximum
Manufacturers Selling Price	Included
Dies, Patterns, Molds and Forms	Included in Business Personal Property Limit

A. The following changes apply to Section A. COVERAGE of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM and the CONDOMINIUM ASSOCIATION COVERAGE FORM.

1. Broadened Premises

The within 100 feet of the described premises description stated in Paragraph A.1.a.(5)(b), Building, Paragraph A.1.b., Your Business Personal Property, Paragraph A.1.c.(2), Personal Property of Others and Paragraph A.5., Coverage Extensions is deleted and replaced by within 1000 feet of the described premises.

2. Additional Covered Property

The following are added to item **a. Building** of Paragraph **1. Covered Property**:

- (6) Bridges, roadways, walks, patios or other paved surfaces;
- (7) Retaining walls (except retaining walls used to contain water) that are not part of a building.

Item 6 listed above is deleted from paragraph 2. Property Not Covered.

Item I. of paragraph 2., Property Not Covered is deleted and replaced by the following:

I. Retaining walls used to contain water.

3. Paragraph A.4. Additional Coverages is amended as follows:

b. Preservation of Property

4. The following are added to paragraph A.4. Additional Coverages:

g. Inventory and Appraisal

We will pay up to \$2,500 for inventory costs and \$2,500 for appraisal costs due to loss or damage as a result of a Covered Cause of Loss to covered property. We will only pay if the costs are incurred and are reasonable and necessary to establish the amount of the loss. Attorney or public adjuster fees are not covered costs under this section.

h. Employee Dishonesty

- 1) We will pay for direct loss of or damage to business personal property, including money and securities, resulting from dishonest acts committed by any of your employees acting alone, or in collusion with other persons (except you or your partner) with the manifest intent to:
 - a) Cause you to sustain loss or damage; and
 - b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - i) Any employee; or
 - ii) Any other person or organization.
- 2) We will not pay for loss or damage:
 - Resulting from any dishonest or criminal act that you or any of your partners commit whether acting alone or in collusion with other persons; or
 - b) The only proof of which as to its existence or amount is dependent upon:
 - i) An inventory computation; or
 - ii) A profit and loss computation.
- 3) The most we will pay for loss or damage in any one occurrence is \$25,000.
- 4) All loss or damage:
 - a) Caused by one or more persons; or
 - b) Involving a single act or series of related acts; is considered one occurrence.
- 5) If any loss is covered:
 - a) Partly by this insurance; and
 - b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest,

the most we will pay is the larger amount recoverable under this insurance or the prior insurance.

6) We will pay for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- 7) This Additional Coverage does not apply to the dishonest act of any employee that occurs after the discovery by:
 - a) You; or
 - b) Any of your partners, officers, directors or trustees not in collusion with the employee

of any dishonest act committed by that employee whether before or after becoming employed by you.

- 8) Will pay only for covered loss or damage discovered no later than one year from the end of the Policy Period
- 9) If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
 - (a) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
 - (b) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- 10) The insurance under paragraph (9) above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
 - (a) This Additional Coverage as of its effective date; or
 - (b) The prior insurance had it remained in effect.

Coverage provided under this Additional Coverage is subject to a Deductible equal to the Property Deductible shown in the Declarations.

"Employee" means:

- Any natural person:
 - a. While in your service and for 30 days after termination of service; and
 - b. Whom you compensate directly by salary, wages or commissions; and
 - c. Whom you have the right to direct and control while performing services for you; or
- 2) Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the premises.

But "employee" does not mean any:

- Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

i. Money Orders and Counterfeit Money

We will pay for your loss when you accept in good faith:

 Any money order in exchange for goods or services if the money order is not paid when presented to the issuer; or 2) Counterfeit U.S. or Canadian paper money in the regular course of business.

The most we will pay under this additional coverage is \$25,000 in any one occurrence.

j. Lost Key Coverage

We will pay for consequential loss to keys and locks if a master key or grand master key is lost or damaged resulting from a Covered Cause of Loss. We will pay for the actual cost to replace keys, adjustment of locks to accept new keys, or if required, new locks, including the cost of their installation.

The most we will pay for loss or damage under this coverage is \$2,500 in any one occurrence.

k. Leasehold Interest

We will pay for loss of "tenants lease interest" you sustain due to the cancellation of your lease. The cancellation must result from direct physical loss or damage at a premises described in the Declarations due to a Covered Cause of Loss.

"Tenants lease interest" means the difference between the rent you will pay under a new lease at the described premises; or elsewhere, and the rent you now pay.

The most we will pay for such loss is the least of:

- a) The total difference in rent based on the period of time remaining under your current lease; or
- b) The total difference in rent for one year; or
- c) \$10,000.

I. Contract Penalty Clause

We will pay the contract penalties you are required to pay to your customers as a result of any written clause in your contract for failure to timely deliver your product or service according to contract terms, provided the contract was executed prior to the loss or damage. The penalties must solely result from direct physical loss or damage by a Covered Cause of Loss to covered property. The most we will pay for penalties for all contracts in any one occurrence is \$5,000.

m. Contingent Transit

We cover the goods you sell to others which are shipped to them at their risk of loss, but only if you cannot collect on the bill of sale because:

- The goods have been damaged by a Covered Cause of Loss applying to your business personal property; and
- 2) your customer has refused or is unable to pay.

If this occurs, we will adjust the loss as if this were your property. The most we will pay for loss or damage in any one occurrence is \$5,000.

Coverage provided under this Additional Coverage is subject to a deductible equal to the Property Deductible shown in the Declarations.

n. Lost Lease Coverage – Lessors Interest

If the Declarations show you have Business Income Coverage, the form is amended to include the following:

- We will pay for loss you sustain due to the cancellation of lease contracts by your tenants when the reason for cancellation of the lease is direct physical loss or damage to the leased premises caused by or resulting from a Covered Cause of Loss during the policy period.
- 2) We will not pay for any loss caused by:
 - a) Your canceling the lease;
 - b) The suspension, lapse or cancellation of any license; or
 - c) Any other consequential loss.
- 3) The most we will pay under this coverage is:
 - a) The difference between the rent actually paid at the described premises and the anticipated rental value of the described premises that you lease for:
 - i) 12 months immediately following the period of restoration; or
 - ii) for the period beginning with the end of the period of restoration and ending with the normal expiration date of each canceled lease; or
 - iii) \$5,000 at any one location,

whichever is less.

o. Tenant Move Back Coverage

We will pay expenses incurred by you for "Covered Move Back Costs" of tenants who temporarily vacate a portion of a covered building property at the premises described in the Declarations. The vacancy must have occurred while the portion of the covered building property rented by the tenant could not be occupied due to direct physical loss or damage to your Covered Property caused by or resulting from any Covered Cause of Loss during the policy period. The move back must take place within 60 days after the portion of the covered building property rented by the tenant has been repaired or rebuilt and is ready for occupancy.

We will pay for "Covered Move Back Costs" whether or not the tenant(s) move back before the expiration date of this policy.

"Covered Move Back Costs" under this endorsement means documented, reasonable and necessary:

- 1) Costs of packing, insuring and carting business personal property;
- 2) Costs of re-establishing electric utility services, less refunds from discontinued services;
- 3) Costs of assembling and setting up fixtures and equipment; and
- 4) Costs to unpack and re-shelve stock and supplies.
- 5) "Covered Move Back Costs" does not include:
 - a) Loss caused by the termination of a lease or other agreement; or
 - b) Security deposits or other payments, forfeitures or penalties made to the landlord or lessor of other premises.

The most we will pay for "Covered Move Back Costs" is \$5,000 resulting from any one occurrence.

p. Manufacturers Consequential Loss Assumption

We will pay the reduction in value of the remaining parts of "stock" in process of manufacture when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of "stock" in the process of manufacture at the described premises.

The most we will pay in any one occurrence is \$25,000.

q. Forgery or Alteration

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent. We will pay for loss you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no limit of insurance cumulates from year to year or period to period.
- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3) For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.
- (4) We will not pay for loss resulting from any dishonest or criminal acts committed by you or any of your partners, employees, managers, members, officers, directors or trustees whether acting alone or in collusion with others.
- (5) The most we will pay for all loss, including legal expenses, under this Additional Coverage is \$25,000.

"Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and money orders held for sale to the public.

5. Real Property of Others Required by Contract

The following is added to item **b. Your Business Personal Property** of Paragraph **1. Covered Property** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM as subparagraph **(8)** and to the CONDOMINIUM ASSOCIATION COVERAGE FORM as subparagraph **(4)**:

Real Property including but not limited to building, doors and windows which are your responsibility to insure under any contract.

The most we will pay for loss or damage to covered property is \$25,000.

6. Electronic Data

Item f.(4) Electronic Data of paragraph 4. Additional Coverages is deleted and replaced by the following:

(4) The most we will pay under this Additional Coverage – Electronic Data is \$25,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

7. Foundations

Item g. is deleted in its entirety from Paragraph 2., Property Not Covered.

8. Debris Removal

Paragraph A.4.a.(4) is deleted and replaced by the following:

- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
 - (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - **(b)** The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

9. Fire Department Service Charge

Item **c. Fire Department Service Charge** of Paragraph **4. Additional Coverages** is deleted and replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No deductible applies to this Additional Coverage.

10. Pollutant Clean Up and Removal

Item d. Pollutant Clean Up and Removal of Paragraph 4. Additional Coverages is amended as follows:

The most we will pay under this Additional Coverage for each described premises is \$25,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

11. Newly Acquired or Constructed Property

Item **a. Newly Acquired or Constructed Property** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
 - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

- (b) This Extension does not apply to:
 - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
 - (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following occurs:

- (a) This policy expires;
- **(b)** 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

12. Personal Effects and Property of Others

Item **b. Personal Effects and Property of Others** of Paragraph **5. Coverage Extensions** is amended as follows:

The most we will pay for loss or damage under this Extension is \$10,000 at each described premises. Our payment for loss of or damage to personal property of others (including property of others held by you on consignment) will only be for the account of the owner of the property.

13. Valuable Papers and Records (Other Than Electronic Data)

Item c. (4) Valuable Papers and Records (Other Than Electronic Data) of Paragraph 5. Coverage Extensions is deleted and replaced by the following:

(4) Under this Extension, the most we will pay to replace or restore the lost information is \$100,000 at each described premises or \$5,000 if it is not at the described premises. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

14. Property Off-Premises

Item **d. Property Off-Premises** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - **(b)** In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition

This Extension applies only if loss or damage is caused by a Covered Cause of Loss. This extension does **not** apply to property in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

- (2) You may extend the insurance provided by this Coverage Form to apply to your personal property in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory. Loss or damage must be caused by or result from one of the following causes of loss:
 - (a) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - **(b)** Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. Collision does not mean the vehicle's contact with the roadbed.
 - **(c)** Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible signs of forced entry.
- (3) The most we will pay for loss or damage under this Extension is \$100,000.

(4) Coverage under this Extension is extended to cover electronic data in transit. Under this Extension, electronic data has the meaning described in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM under Property Not Covered – Electronic Data. The most we will pay for loss or damage to electronic data under this Extension is \$5,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or computer systems involved. This \$5,000 limit is part of and not in addition to the \$25,000 limit in paragraph A.4.f. Electronic Data of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

15. Outdoor Property

Item **e. Outdoor Property** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, lighting, lighting standards, radio and television antennas, satellite dish, signs (other than signs attached to buildings), playground equipment, scoreboards, trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is \$25,000, but not more than \$500 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or numbers of items lost or damaged in that occurrence.

16. The following are added to Paragraph **5. Coverage Extensions:**

g. Accounts Receivable

We will pay:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- (4) Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from a Covered Cause of Loss to your records of accounts receivable.

The most we will pay for loss at the described premises under this Extension is \$100,000. The most we will pay for loss away from the described premises under this Extension is \$5,000.

h. Arson Reward (Not available in New York)

We will pay on behalf of the insured up to \$25,000 for information which leads to an arson conviction in connection with a fire loss covered under this Coverage Form. Regardless of the number of persons involved in providing information, our liability under this Coverage Extension will not be increased.

i. Back-Up of Sewers or Drains

We cover direct physical loss or damage caused by water:

(1) which backs up into a building or structure through sewers or drains which are directly connected to a sanitary sewer or septic system; or

(2) which enters into and overflows from within a sump pump, sump pump well or other type of system designed to remove subsurface water which is drained from the foundation area.

This coverage does not apply if the loss or damage is caused by your negligence.

The most we will pay for loss or damage under this Coverage Extension is \$10,000.

j. Extra Expense

We will pay the actual and necessary Extra Expense you incur due to direct physical loss of or damage to the property at the premises described in the Declarations, including personal property in the open or in a vehicle, within 1,000 feet of the premises, caused by or resulting from any Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

- (i) All routes within the building to gain access to the described premises; and
- (ii) Your personal property in the open (or in a vehicle) within 1000 feet.

The following definitions are added as respects this Coverage Extension:

- (1) Extra Expense means necessary expenses you incur during the period of restoration that you would not have incurred if there had been no direct physical loss or damage:
- (a) To avoid or minimize the suspension of business and to continue operations:
 - 1. At the described premises; or
 - 2. At replacement premises or at temporary locations, including:
 - A. Relocation expenses; or
 - B. Costs to equip and operate the replacement or temporary locations.
- (b) To minimize the suspension of business if you cannot continue operations.
- (c) 1. To repair or replace any property; or
 - 2. To research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Extension .

- (2) Operations mean the type of your business activities occurring at the described premises.
- (3) Period of Restoration means the period of time that:
 - (a) Begins with the date of direct physical loss or damage caused by or resulting from a Covered Cause of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - 1. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

2. The date when business is resumed at a new permanent location.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that

- 1. Regulates the construction, use or repair, or requires the tearing down of any property; or
- 2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

The most we will pay for loss under this Extension is \$10,000.

k. Fine Arts

You may extend the insurance that applies to your Business Personal Property to apply to your fine arts and fine arts owned by others that are in your care, custody or control.

This Extension does not apply to loss or damage caused by or resulting from:

- (1) While fine arts are at any fair or on exhibition;
- (2) Any repairing, restoration or retouching process;
- (3) Insects, birds, rodents or other animals;
- (4) Wear and tear;
- (5) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in the property that causes it to damage or destroy itself;
- **(6)** Breakage of art glass windows, statuary, marbles, glassware, bric-a-brac, porcelains and similar fragile articles. But we will pay for loss or damage caused directly by fire, lightning, aircraft, theft or attempted theft, cyclone, tornado, windstorm, explosion, vandalism, or by accident to the vehicle carrying the property.

The most we will pay for loss or damage under this Extension is \$25,000.

I. Fire Protective Devices

You may extend the insurance provided by this Coverage Form to apply to recharging or refilling of your fire protective devices that are permanently installed in buildings at the described premises when such devices have been discharged by accident or after being used in fighting a fire. This Extension does not apply to periodic recharge or refilling.

The most we will pay under this Extension is \$10,000 for each separate 12-month period of this policy.

m. Loss of Refrigeration

You may extend the insurance provided by this Coverage Form to apply to direct physical loss of or damage to property owned by you and used in your business or owned by others and in your care, custody or control, contained in any refrigeration or cooling apparatus or equipment resulting from:

- (1) The fluctuation or total interruption of electrical power, either on or off the described premises, due to conditions beyond your control; or
- (2) Mechanical failure of any refrigeration or cooling apparatus or equipment (on premises).

The most we will pay for loss or damage under this Extension is \$25,000.

n. Computer Equipment

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage to "computer equipment" owned by you or similar property of others in your care, custody or control for which you are legally liable, caused by a Covered Cause of Loss.

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage to "laptop/portable computers" owned by you and in your care, custody and control or in the care, custody or control of your employee.

(1) Property Not Covered

We will not cover the following kinds of property under this Extension:

- (a) Property which you rent or lease to others;
- (b) Software or other electronic data;
- **(c)** Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, program documentation or other documents.
- (d) "Computer equipment" held for sale by you;
- (e) "Computer equipment" of others on which you are performing repairs or work;
- (f) "Computer equipment" or that is part of any:
 - (i) Production or processing equipment (such as CAD, CAM or CNC machines);
 - (ii) Equipment used to maintain or service your building (such as heating, ventilating, cooling or alarm systems); or
 - (iii) Communication equipment (such as telephone systems).
- **(g)** Property that is covered under another coverage form of this or any other policy in which such property is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.
- (2) Property In Transit

We will pay for your "computer equipment", or "laptop/portable computer" while in transit.

- (3) Section B. Exclusions, 1.b. Earth Movement of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (4) Section B. Exclusions, 1.e. Utility Services of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (5) Section B. Exclusions, 1.g. Water of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (6) The artificially generated electrical current exclusion, Item **B.2.a.** of the CAUSES OF LOSS SPECIAL FORM, as respects **A.5.n. Computer Equipment**, is deleted in its entirety.

- (7) The mechanical breakdown exclusion, Item **B.2.d.(6)** of the CAUSES OF LOSS SPECIAL FORM, as respects **A.5.n. Computer Equipment**, is deleted and replaced by the following:
 - (6) Mechanical breakdown, failure or derangement, except:
 - (a) This exclusion does not apply for the accidental loss or damage caused by a resulting fire or explosion.
 - **(b)** This exclusion does not apply if any of the above is sudden and accidental and manifests itself by physical damage to "computer equipment" which requires repair or replacement.
- (8) Loss Payment will be determined as follows:

"Computer equipment" or "laptop/portable computers"

We will pay the least of the following amounts:

- (i) The cost of reasonably restoring that property to its condition immediately before the loss or damage; or
- (ii) The cost of replacing that property with identical property of comparable material and quality and used for the same purpose.

However, when repair or replacement with identical property is not possible, we will pay the cost to replace that property with similar property capable of performing the same functions.

If not repaired or replaced, the property will be valued at its actual cash value.

"Computer Equipment" means a network of electronic machine components capable of accepting information, processing it according to instructions and producing the results in a desired form.

"Laptop/Portable Computers" means "computer equipment" and accessories that are designed to function with it that can easily be carried and is designed to be used at more than one location.

The most we will pay for loss or damage to "computer equipment" under this Extension is \$25,000.

The most we will pay under this Extension for loss or damage to "laptop/portable computers" while away from the described premises is \$5,000.

o. Lock Replacement

You may extend the insurance provided by this Coverage Form to apply to replacement of locks necessitated by theft of Covered Property or theft of keys from the described premises.

The most we will pay for loss under this Coverage Extension is \$2,500 in any one occurrence.

p. Money and Securities

(1) You may extend the insurance that applies to Business Personal Property to apply to loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:

- (a) Theft, meaning any act of stealing;
- (b) Disappearance; or
- (c) Destruction.
- (2) In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:
 - (a) Resulting from accounting or arithmetical errors or omissions;
 - (b) Due to the giving or surrendering of property in any exchange or purchase; or
 - (c) Of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (3) The most we will pay for loss in any one occurrence is:
 - (a) \$25,000 for Inside the Premises for "money" and "securities" while:
 - (i) In or on the described premises; or
 - (ii) Within a bank or savings institution; and
 - (b) \$25,000 for Outside the Premises for "money" and "securities" while anywhere else.
- (4) All loss:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;

is considered one occurrence.

- (5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- (6) "Money" means:
 - (a) Currency, coins and bank notes in current use and having a face value; and
 - (b) Travelers checks, register checks and money orders held for sale to the public.
- (7) "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - (a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - **(b)** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

q. Off-Premises Services Interruption

You may extend the insurance provided by this Coverage Form to apply to loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:

Water Supply Services, meaning the following types of property supplying water to the described premises:

Pumping stations; and

Water mains.

Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (a) Communication transmission lines, including optic fiber transmission lines;
- (b) Coaxial cables; and
- (c) Microwave radio relays except satellites.

It does not include above ground communication lines.

- (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission lines.

It does not include above ground transmission or distribution lines.

The most we will pay under this Extension is \$10,000.

r. Consequential Loss

We will pay up to \$10,000 for the consequential loss of undamaged business personal property.

Consequential Loss, as applicable to this Coverage Extension is the loss of value of an undamaged part or parts of a product which becomes unmarketable. It must be unmarketable due to a physical loss or damage to another part or parts of the product caused by a Covered Cause of Loss.

s. Business Income

We will pay up to \$10,000 for the actual loss of Business Income you sustain due to the necessary suspension of your operations during the period of restoration. The suspension must be caused by direct physical loss or damage to your covered Building or Business Personal Property at premises that are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

- (i) All routes within the building to gain access to the described premises; and
- (ii) Your personal property in the open (or in a vehicle) within 100 feet.

The COINSURANCE Additional Condition does not apply as respects this Coverage Extension.

The following definitions are added as respects this Coverage Extension:

- (1) Business Income means the:
 - (a) Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - (b) Continuing normal operating expenses incurred, including payroll.
- (2) Operations means the type of your business activities occurring at the described premises.
- (3) Period of Restoration means the period of time that:
 - (a) Begins 72 hours after the time of direct physical loss or damage for Business Income coverage caused by or resulting from a Covered Cause of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - 1. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - 2. The date when business is resumed at a new permanent location.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that

- 1. Regulates the construction, use or repair, or requires the tearing down of any property; or
- 2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

t. Business Income - Utility Services Interruption

We will pay up to \$1,000 in any one occurrence for the actual loss of Business Income at the described premises caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following types of property located outside of a covered building described in the Declarations:

- (i) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - Pumping stations; and
 - ii. Water mains.
- (ii) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
 - i. Communication transmission lines, including optic fiber transmission lines;
 - ii. Coaxial cables; and
 - iii. Microwave radio relays except satellites.

It does not include above ground communication lines.

- (iii) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - i. Utility generating plants;
 - ii. Switching stations;
 - iii. Substations:
 - iv. Transformers: and
 - v. Transmission lines.

It does not include above ground transmission or distribution lines.

u. Business Income - Support Property

If the Declarations show you have Business Income Coverage, the following Additional Coverage is added:

We will pay for the actual loss of business income you sustain due to direct physical loss or damage at the premises of an "income support property" not described in the Declarations, caused by or resulting from any Covered Cause of Loss. "Income support property" means property operated by others on whom you depend to:

- 1) deliver material or services to you, or to others for your account;
- 2) accept your products or services;
- 3) manufacture products for delivery to your customers under contract of sale; or
- 4) attract customers to your business.

The most we will pay for this coverage is \$5,000 in any one occurrence.

v. Employee Tools Coverage

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage by a Covered Cause of Loss to tools owned by your employees while used in your business or when in your building.

However, we will not pay for a loss that is caused by or results from theft or attempted theft of employee tools unless such loss occurs:

- 1) At a building and there is visible evidence of forcible entry or exit on your building; or
- 2) From a locked vehicle and there is visible evidence of forcible entry.

The value of Employee Tools will be determined at actual cash value as of the time of loss or damage.

The most we will pay with respect to employee tools is \$5,000 in any one occurrence.

Coverage provided under this Coverage Extension is subject to a Deductible equal to the Property Deductible shown in the Declarations.

w. Salespersons Samples

You may extend the insurance that applies to Your Business Personal Property to apply to Salespersons' Samples of your stock in trade, including their containers, while they are in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

The most we will pay for loss to Salespersons Samples in any one occurrence is \$5,000 for property in the custody of any one salesperson.

Coverage provided under this Coverage Extension is subject to a Deductible equal to the Property Deductible shown in the Declarations.

x. Loss to Pair or Set

If there is a loss or damage by a Covered Cause of Loss to covered property which is a part of a pair or set, we will pay; at our option, for:

- The cost to repair or replace any part to restore the pair or set to its value before the loss; or
- 2) The difference between the value of the pair or set before and after the loss; or
- 3) The full actual cash value for the pair or set at the time of loss, and you will give us the remainder of the pair or set.

y. Business Personal Property Limit Seasonal Increase

The Limit of Insurance for Business Personal Property will automatically increase by 25% to provide for seasonal variations. This increase will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 90% of your average monthly value during the lesser of:

- 1) The 12-month period immediately preceding the date the loss or damage occurs; or
- 2) The period of time you have been in business as of the date loss occurs.

z. Appurtenant Structures

You may extend the insurance that applies to Building to apply to your storage buildings, your garages and your other appurtenant structures, except outdoor fixtures, at the described premises. The most we will pay for Building loss or damage under this Extension is \$50,000.

You may extend the insurance that applies to Business Personal Property to apply to such property in your storage buildings, your garages and your other appurtenant structures at the described premises. The most we will pay for Business Personal Property loss or damage under this Extension is \$5,000.

B. The second paragraph of Section **C. LIMITS OF INSURANCE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM and the CONDOMINIUM ASSOCIATION COVERAGE FORM is deleted and replaced by the following:

Signs (Attached)

The most we will pay for loss or damage to outdoor signs attached to buildings is \$25,000 per sign in any one occurrence.

C. The following is added to Section D. DEDUCTIBLE of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM and the CONDOMINIUM ASSOCIATION COVERAGE FORM:

Special Deductible Provision

We will deduct from any loss or damage under the Coverage Extensions in any one occurrence the Deductible shown in the Declarations or \$500, whichever is less.

This deductible applies to all Coverage Extensions, except for:

- a. Newly Acquired or Constructed Property; and
- e. Outdoor Property

D. Coinsurance

Section **F. ADDITIONAL CONDITIONS**, Paragraph **1. Coinsurance** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM and the CONDOMINIUM ASSOCIATION COVERAGE FORM applies only when the total loss or damage to all Covered Property in any one occurrence is greater than \$10,000.

E. Brands and Labels

The following is added to Section **E. LOSS CONDITIONS**, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM

8. Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may, at our expense:

- **a.** Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- **b.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

The most we will pay under this coverage is \$25,000.

F. Ordinance or Law

- If a Covered Cause of Loss occurs to covered Building property, we will pay:
 - **a.** For the loss in value of the undamaged portion of the building as a consequence of enforcement of any ordinance or law that:
 - (i) Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;
 - (ii) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at a described premises; and

- (iii) Is in force at the time of loss.
- **b.** The cost to demolish and clear the site of undamaged parts of the property caused by the enforcement of building, zoning or land use ordinance or law.

The COINSURANCE Additional Condition does not apply to this demolition cost coverage.

- c. The increased cost to:
 - (i) Repair or reconstruct damaged portions of that Building property; and/or
 - (ii) Reconstruct or remodel undamaged portions of that Building property, whether or not demolition is required;

When the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law.

However:

- (i) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (ii) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The COINSURANCE Additional Condition does not apply to this increased cost of construction coverage.

- 2. We will not pay the increased costs of construction under this coverage:
 - a. Until the property is actually repaired or replaced, at the same or another premises; and
 - **b.** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- 3. We will not pay under this coverage for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
- 4. The most we will pay under this coverage at each described premises is the lesser of:
 - a. 25% of the Limit of Insurance shown in the Declarations for Building Coverage; or
 - **b.** \$100,000.
- **5.** We will not pay for loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged, and
 - **b.** You failed to comply with.
- G. The following change is applicable to Section E. LOSS CONDITIONS of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

Manufacturers Selling Price

The following is added to Paragraph **7. Valuation** Loss Condition:

We will determine the value of finished "stock" you manufacture, in the event of loss or damage, at:

- (1) The selling price, as if no loss or damage occurred;
- (2) Less discounts and expenses you otherwise would have had.

H. Dies, Patterns, Molds and Forms

Section C. Limitations, Paragraph 3.c. of the CAUSES OF LOSS – SPECIAL FORM is deleted in its entirety.

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOTEL/MOTEL CUSTOM PROTECTOR ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CAUSES OF LOSS - SPECIAL FORM

The following is a summary of increased limits of insurance and additional coverages provided by this endorsement. This endorsement is subject to the provisions of your policy which means that it is subject to all limitations and conditions applicable to this Coverage Part, Coverage Form or Causes of Loss Form unless specifically deleted, replaced, or modified herein. This endorsement is applicable only to those premises described in the Declarations.

Coverage for loss of Business Income or Extra Expense, whether provided by this endorsement or elsewhere, does not apply if a loss is covered only as a result of this endorsement.

If coverage is provided elsewhere in this policy for the same loss or damage as the coverage provided under this endorsement, the coverage under this endorsement will apply excess over that other coverage unless otherwise stated. We will not pay more than the actual amount of the covered loss or damage.

Broadened Premises Additional Covered Property Preservation of Property Preservation Preservatio	Coverage Description	Limit of Insurance
Additional Covered Property Preservation of Property Inventory and Appraisal Employee Dishonesty Money Orders and Counterfeit Money Lost Key Coverage Leasehold Interest Contract Penalty Clause Contract Penalty Clause Contingent Transit Lost Lease Coverage - Lessors Interest Sound Endougheer Sound So		
Preservation of Property Inventory and Appraisal Employee Dishonesty Money Orders and Counterfeit Money Lost Key Coverage Leasehold Interest Contract Penalty Clause Contingent Transit Lost Lease Coverage - Lessors Interest Sound Employee Dishonesty Sound Contingent Transit Lost Lease Coverage - Lessors Interest Sound Contingent Transit Lost Lease Coverage - Lessors Interest Sound Manufacturers Consequential Loss Assumption Forgery or Alteration Real Property of Others Required by Contract Electronic Data Foundations Included Debris Removal Fire Department Service Charge Pollutant Clean Up and Removal Newly Acquired or Constructed Property Buildings		
Inventory and Appraisal \$ 5,000		
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Money Orders and Counterfeit Money \$ 25,000 Lost Key Coverage \$ 2,500 Leasehold Interest \$ 10,000 Contract Penalty Clause \$ 5,000 Contingent Transit \$ 5,000 Lost Lease Coverage – Lessors Interest \$ 5,000 Tenant Move Back Coverage \$ 5,000 Manufacturers Consequential Loss Assumption \$ 25,000 Forgery or Alteration \$ 25,000 Real Property of Others Required by Contract \$ 25,000 Electronic Data \$ 25,000 Foundations Included Debris Removal \$ 25,000 Fire Department Service Charge \$ 25,000 Pollutant Clean Up and Removal \$ 25,000 Newly Acquired or Constructed Property 180 days Buildings \$ 500,000 Business Personal Property \$ 250,000 Personal Effects and Property of Others \$ 10,000 Valuable Papers and Records (Other Than Electronic Data) \$ 5,000 On Premises \$ 5,000 Property Off-Premises (Including while in Transit) \$ 100,000 Ottdoor Property <		
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Arson Reward (Not available in New York) \$ 25,000	On Premises	\$100,000
,	Off Premises	
Back-up of Sewers or Drains \$ 10,000	Arson Reward (Not available in New York)	\$ 25,000
	Back-up of Sewers or Drains	\$ 10,000

Extra Expense	\$ 10,000
Coverage Description	Limit of Insurance
Fine Arts	\$ 25,000
Fire Protective Devices	\$ 10,000
Loss of Refrigeration	\$ 25,000
Computer Equipment	\$ 25,000
Laptop/Portable Computers	\$ 5,000
Lock Replacement	\$ 2,500
Money and Securities	
Inside the Premises	\$ 25,000
Outside the Premises	\$ 25,000
Off-Premises Services Interruption	\$ 10,000
Consequential Loss	\$ 10,000
Business Income	\$ 10,000
Business Income – Utility Services Interruption	\$ 1,000
Business Income – Support Property	\$ 5,000
Employee Tools Coverage	\$ 5,000
Salespersons Samples	\$ 5,000
Loss to Pair or Set	Included
Business Personal Property Limit Seasonal Increase	25%
Appurtenant Structures	
Buildings	\$ 50,000
Business Personal Property	\$ 5,000
Signs (Attached)	\$ 25,000
Special Deductible Provision	Included
Waiver of Coinsurance on losses \$10,000 or less	Included
Brands and Labels	\$ 25,000
Ordinance or Law	25% of the Building Limit subject to \$100,000 maximum
Manufacturers Selling Price	Included
Dies, Patterns, Molds and Forms	Included in Business Personal Property Limit

A. The following changes apply to Section **A. COVERAGE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

1. Broadened Premises

The within 100 feet of the described premises description stated in Paragraph A.1.a.(5)(b), Building, Paragraph A.1.b., Your Business Personal Property, Paragraph A.1.c.(2), Personal Property of Others and Paragraph A.5., Coverage Extensions is deleted and replaced by within 1000 feet of the described premises.

2. Additional Covered Property

The following are added to item **a. Building** of Paragraph **1. Covered Property**:

- (6) Bridges, roadways, walks, patios or other paved surfaces;
- (7) Retaining walls (except retaining walls used to contain water) that are not part of a building.

Item 6 listed above is deleted from paragraph 2. Property Not Covered.

Item I. of paragraph 2., Property Not Covered is deleted and replaced by the following:

- **I.** Retaining walls used to contain water.
- 3. Paragraph A.4. Additional Coverages is amended as follows:

b. Preservation of Property

The 30 day limitation in paragraph A.4.b.(2) is increased to 90 days.

4. The following are added to paragraph A.4. Additional Coverages:

g. Inventory and Appraisal

We will pay up to \$2,500 for inventory costs and \$2,500 for appraisal costs due to loss or damage as a result of a Covered Cause of Loss to covered property. We will only pay if the costs are incurred and are reasonable and necessary to establish the amount of the loss. Attorney or public adjuster fees are not covered costs under this section.

h. Employee Dishonesty

- We will pay for direct loss of or damage to business personal property, including money and securities, resulting from dishonest acts committed by any of your employees acting alone, or in collusion with other persons (except you or your partner) with the manifest intent to:
 - a) Cause you to sustain loss or damage; and
 - b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - i) Any employee; or
 - ii) Any other person or organization.
- 2) We will not pay for loss or damage:
 - Resulting from any dishonest or criminal act that you or any of your partners commit whether acting alone or in collusion with other persons; or
 - b) The only proof of which as to its existence or amount is dependent upon:
 - i) An inventory computation; or
 - ii) A profit and loss computation.
- 3) The most we will pay for loss or damage in any one occurrence is \$25,000.
- 4) All loss or damage:
 - a) Caused by one or more persons; or
 - b) Involving a single act or series of related acts; is considered one occurrence.
- 5) If any loss is covered:
 - a) Partly by this insurance; and
 - b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest,

the most we will pay is the larger amount recoverable under this insurance or the prior insurance.

6) We will pay for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- 7) This Additional Coverage does not apply to the dishonest act of any employee that occurs after the discovery by:
 - a) You; or
 - b) Any of your partners, officers, directors or trustees not in collusion with the employee

of any dishonest act committed by that employee whether before or after becoming employed by you.

- 8) Will pay only for covered loss or damage discovered no later than one year from the end of the Policy Period
- 9) If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
 - (a) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
 - (b) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- 10) The insurance under paragraph (9) above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
 - (a) This Additional Coverage as of its effective date; or
 - (b) The prior insurance had it remained in effect.

Coverage provided under this Additional Coverage is subject to a Deductible equal to the Property Deductible shown in the Declarations.

"Employee" means:

- Any natural person:
 - a. While in your service and for 30 days after termination of service; and
 - b. Whom you compensate directly by salary, wages or commissions; and
 - c. Whom you have the right to direct and control while performing services for you; or
- 2) Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the premises.

But "employee" does not mean any:

- Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

i. Money Orders and Counterfeit Money

We will pay for your loss when you accept in good faith:

 Any money order in exchange for goods or services if the money order is not paid when presented to the issuer; or 2) Counterfeit U.S. or Canadian paper money in the regular course of business.

The most we will pay under this additional coverage is \$25,000 in any one occurrence.

j. Lost Key Coverage

We will pay for consequential loss to keys and locks if a master key or grand master key is lost or damaged resulting from a Covered Cause of Loss. We will pay for the actual cost to replace keys, adjustment of locks to accept new keys, or if required, new locks, including the cost of their installation.

The most we will pay for loss or damage under this coverage is \$2,500 in any one occurrence.

k. Leasehold Interest

We will pay for loss of "tenants lease interest" you sustain due to the cancellation of your lease. The cancellation must result from direct physical loss or damage at a premises described in the Declarations due to a Covered Cause of Loss.

"Tenants lease interest" means the difference between the rent you will pay under a new lease at the described premises; or elsewhere, and the rent you now pay.

The most we will pay for such loss is the least of:

- a) The total difference in rent based on the period of time remaining under your current lease; or
- b) The total difference in rent for one year; or
- c) \$10,000.

I. Contract Penalty Clause

We will pay the contract penalties you are required to pay to your customers as a result of any written clause in your contract for failure to timely deliver your product or service according to contract terms, provided the contract was executed prior to the loss or damage. The penalties must solely result from direct physical loss or damage by a Covered Cause of Loss to covered property. The most we will pay for penalties for all contracts in any one occurrence is \$5,000.

m. Contingent Transit

We cover the goods you sell to others which are shipped to them at their risk of loss, but only if you cannot collect on the bill of sale because:

- The goods have been damaged by a Covered Cause of Loss applying to your business personal property; and
- 2) your customer has refused or is unable to pay.

If this occurs, we will adjust the loss as if this were your property. The most we will pay for loss or damage in any one occurrence is \$5,000.

Coverage provided under this Additional Coverage is subject to a deductible equal to the Property Deductible shown in the Declarations.

n. Lost Lease Coverage – Lessors Interest

If the Declarations show you have Business Income Coverage, the form is amended to include the following:

- 1) We will pay for loss you sustain due to the cancellation of lease contracts by your tenants when the reason for cancellation of the lease is direct physical loss or damage to the leased premises caused by or resulting from a Covered Cause of Loss during the policy period.
- 2) We will not pay for any loss caused by:
 - a) Your canceling the lease;
 - b) The suspension, lapse or cancellation of any license; or
 - c) Any other consequential loss.
- 3) The most we will pay under this coverage is:
 - a) The difference between the rent actually paid at the described premises and the anticipated rental value of the described premises that you lease for:
 - i) 12 months immediately following the period of restoration; or
 - ii) for the period beginning with the end of the period of restoration and ending with the normal expiration date of each canceled lease; or
 - iii) \$5,000 at any one location,

whichever is less.

o. Tenant Move Back Coverage

We will pay expenses incurred by you for "Covered Move Back Costs" of tenants who temporarily vacate a portion of a covered building property at the premises described in the Declarations. The vacancy must have occurred while the portion of the covered building property rented by the tenant could not be occupied due to direct physical loss or damage to your Covered Property caused by or resulting from any Covered Cause of Loss during the policy period. The move back must take place within 60 days after the portion of the covered building property rented by the tenant has been repaired or rebuilt and is ready for occupancy.

We will pay for "Covered Move Back Costs" whether or not the tenant(s) move back before the expiration date of this policy.

"Covered Move Back Costs" under this endorsement means documented, reasonable and necessary:

- 1) Costs of packing, insuring and carting business personal property;
- 2) Costs of re-establishing electric utility services, less refunds from discontinued services;
- 3) Costs of assembling and setting up fixtures and equipment; and
- 4) Costs to unpack and re-shelve stock and supplies.
- 5) "Covered Move Back Costs" does not include:
 - a) Loss caused by the termination of a lease or other agreement; or
 - b) Security deposits or other payments, forfeitures or penalties made to the landlord or lessor of other premises.

The most we will pay for "Covered Move Back Costs" is \$5,000 resulting from any one occurrence.

p. Manufacturers Consequential Loss Assumption

We will pay the reduction in value of the remaining parts of "stock" in process of manufacture when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of "stock" in the process of manufacture at the described premises.

The most we will pay in any one occurrence is \$25,000.

q. Forgery or Alteration

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent. We will pay for loss you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no limit of insurance cumulates from year to year or period to period.
- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3) For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.
- (4) We will not pay for loss resulting from any dishonest or criminal acts committed by you or any of your partners, employees, managers, members, officers, directors or trustees whether acting alone or in collusion with others.
- (5) The most we will pay for all loss, including legal expenses, under this Additional Coverage is \$25,000.

"Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and money orders held for sale to the public.

5. Real Property of Others Required by Contract

The following is added to item **b. Your Business Personal Property** of Paragraph **1. Covered Property**:

(8) Real Property coverage including but not limited to building, doors and windows you are responsible for due to contract or lease agreement.

The most we will pay for loss or damage to covered property is \$25,000.

6. Electronic Data

Item f.(4) Electronic Data of paragraph 4. Additional Coverages is deleted and replaced by the following:

(4) The most we will pay under this Additional Coverage – Electronic Data is \$25,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

7. Foundations

Item g. is deleted in its entirety from Paragraph 2., Property Not Covered.

8. Debris Removal

Paragraph A.4.a.(4) is deleted and replaced by the following:

- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
 - (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - **(b)** The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

9. Fire Department Service Charge

Item **c. Fire Department Service Charge** of Paragraph **4. Additional Coverages** is deleted and replaced by the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No deductible applies to this Additional Coverage.

10. Pollutant Clean Up and Removal

Item d. Pollutant Clean Up and Removal of Paragraph 4. Additional Coverages is amended as follows:

The most we will pay under this Additional Coverage for each described premises is \$25,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

11. Newly Acquired or Constructed Property

Item **a. Newly Acquired or Constructed Property** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
 - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

- **(b)** This Extension does not apply to:
 - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
 - (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following occurs:

- (a) This policy expires;
- **(b)** 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

12. Personal Effects and Property of Others

Item **b. Personal Effects and Property of Others** of Paragraph **5. Coverage Extensions** is amended as follows:

The most we will pay for loss or damage under this Extension is \$10,000 at each described premises. Our payment for loss of or damage to personal property of others (including property of others held by you on consignment) will only be for the account of the owner of the property.

13. Valuable Papers and Records (Other Than Electronic Data)

Item c. (4) Valuable Papers and Records (Other Than Electronic Data) of Paragraph 5. Coverage Extensions is deleted and replaced by the following:

(4) Under this Extension, the most we will pay to replace or restore the lost information is \$100,000 at each described premises or \$5,000 if it is not at the described premises. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

14. Property Off-Premises

Item **d. Property Off-Premises** of Paragraph **5. Coverage Extensions** is deleted and replaced by the following:

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises if it is:
 - (a) Temporarily at a location you do not own, lease or operate;
 - **(b)** In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition

This Extension applies only if loss or damage is caused by a Covered Cause of Loss. This extension does **not** apply to property in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

- (2) You may extend the insurance provided by this Coverage Form to apply to your personal property in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory. Loss or damage must be caused by or result from one of the following causes of loss:
 - (a) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - **(b)** Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. Collision does not mean the vehicle's contact with the roadbed.
 - (c) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible signs of forced entry.
- (3) The most we will pay for loss or damage under this Extension is \$100,000.
- (4) Coverage under this Extension is extended to cover electronic data in transit. Under this Extension, electronic data has the meaning described in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM under Property Not Covered Electronic Data. The most we will pay for loss or damage to electronic data under this Extension is \$5,000 for all loss or damage sustained in any one

policy year, regardless of the number of occurrences of loss or damage or computer systems involved. This \$5,000 limit is part of and not in addition to the \$25,000 limit in paragraph **A.4.f. Electronic Data** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

15. Outdoor Property

Item e. Outdoor Property of Paragraph 5. Coverage Extensions is deleted and replaced by the following:

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, lighting, lighting standards, radio and television antennas, satellite dish, signs (other than signs attached to buildings), playground equipment, scoreboards, trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is \$25,000, but not more than \$500 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or numbers of items lost or damaged in that occurrence.

16. The following are added to Paragraph **5. Coverage Extensions:**

g. Accounts Receivable

We will pay:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- (4) Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from a Covered Cause of Loss to your records of accounts receivable.

The most we will pay for loss at the described premises under this Extension is \$100,000. The most we will pay for loss away from the described premises under this Extension is \$5,000.

h. Arson Reward (Not available in New York)

We will pay on behalf of the insured up to \$25,000 for information which leads to an arson conviction in connection with a fire loss covered under this Coverage Form. Regardless of the number of persons involved in providing information, our liability under this Coverage Extension will not be increased.

i. Back-Up of Sewers or Drains

We cover direct physical loss or damage caused by water:

- (1) which backs up through sewers or drains; or
- (2) which enters into and overflows from within a sump pump, sump pump well or other type of system designed to remove subsurface water which is drained from the foundation area.

This coverage does not apply if the loss or damage is caused by your negligence.

The most we will pay for loss or damage under this Coverage Extension is \$10,000.

j. Extra Expense

We will pay the actual and necessary Extra Expense you incur due to direct physical loss of or damage to the property at the premises described in the Declarations, including personal property in the open or in a vehicle, within 1,000 feet of the premises, caused by or resulting from any Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

- (i) All routes within the building to gain access to the described premises; and
- (ii) Your personal property in the open (or in a vehicle) within 1000 feet.

The following definitions are added as respects this Coverage Extension:

- (1) Extra Expense means necessary expenses you incur during the period of restoration that you would not have incurred if there had been no direct physical loss or damage:
- (a) To avoid or minimize the suspension of business and to continue operations:
 - 1. At the described premises; or
 - 2. At replacement premises or at temporary locations, including:
 - A. Relocation expenses; or
 - B. Costs to equip and operate the replacement or temporary locations.
- (b) To minimize the suspension of business if you cannot continue operations.
- (c) 1. To repair or replace any property; or
 - 2. To research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Extension .

- (2) Operations mean the type of your business activities occurring at the described premises.
- (3) Period of Restoration means the period of time that:
 - (a) Begins with the date of direct physical loss or damage caused by or resulting from a Covered Cause of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - 1. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - 2. The date when business is resumed at a new permanent location.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that

1. Regulates the construction, use or repair, or requires the tearing down of any property; or

2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

The most we will pay for loss under this Extension is \$10,000.

k. Fine Arts

You may extend the insurance that applies to your Business Personal Property to apply to your fine arts and fine arts owned by others that are in your care, custody or control.

This Extension does not apply to loss or damage caused by or resulting from:

- (1) While fine arts are at any fair or on exhibition;
- (2) Any repairing, restoration or retouching process;
- (3) Insects, birds, rodents or other animals;
- (4) Wear and tear;
- (5) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in the property that causes it to damage or destroy itself;
- (6) Breakage of art glass windows, statuary, marbles, glassware, bric-a-brac, porcelains and similar fragile articles. But we will pay for loss or damage caused directly by fire, lightning, aircraft, theft or attempted theft, cyclone, tornado, windstorm, explosion, vandalism, or by accident to the vehicle carrying the property.

The most we will pay for loss or damage under this Extension is \$25,000.

I. Fire Protective Devices

You may extend the insurance provided by this Coverage Form to apply to recharging or refilling of your fire protective devices that are permanently installed in buildings at the described premises when such devices have been discharged by accident or after being used in fighting a fire. This Extension does not apply to periodic recharge or refilling.

The most we will pay under this Extension is \$10,000 for each separate 12-month period of this policy.

m. Loss of Refrigeration

You may extend the insurance provided by this Coverage Form to apply to direct physical loss of or damage to property owned by you and used in your business or owned by others and in your care, custody or control, contained in any refrigeration or cooling apparatus or equipment resulting from:

- (1) The fluctuation or total interruption of electrical power, either on or off the described premises, due to conditions beyond your control; or
- (2) Mechanical failure of any refrigeration or cooling apparatus or equipment (on premises).

The most we will pay for loss or damage under this Extension is \$25,000.

n. Computer Equipment

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage to "computer equipment" owned by you or similar property of others in your care, custody or control for which you are legally liable, caused by a Covered Cause of Loss.

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage to "laptop/portable computers" owned by you and in your care, custody and control or in the care, custody or control of your employee.

(1) Property Not Covered

We will not cover the following kinds of property under this Extension:

- (a) Property which you rent or lease to others;
- (b) Software or other electronic data;
- **(c)** Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, program documentation or other documents.
- (d) "Computer equipment" held for sale by you;
- (e) "Computer equipment" of others on which you are performing repairs or work;
- (f) "Computer equipment" or that is part of any:
 - (i) Production or processing equipment (such as CAD, CAM or CNC machines);
 - (ii) Equipment used to maintain or service your building (such as heating, ventilating, cooling or alarm systems); or
 - (iii) Communication equipment (such as telephone systems).
- **(g)** Property that is covered under another coverage form of this or any other policy in which such property is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.
- (2) Property In Transit
 - We will pay for your "computer equipment", or "laptop/portable computer" while in transit.
- (3) Section B. Exclusions, 1.b. Earth Movement of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (4) Section B. Exclusions, 1.e. Utility Services of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (5) Section B. Exclusions, 1.g. Water of the CAUSES OF LOSS SPECIAL FORM, as respects A.5.n. Computer Equipment, is deleted in its entirety.
- (6) The artificially generated electrical current exclusion, Item **B.2.a.** of the CAUSES OF LOSS SPECIAL FORM, as respects **A.5.n. Computer Equipment**, is deleted in its entirety.
- (7) The mechanical breakdown exclusion, Item **B.2.d.(6)** of the CAUSES OF LOSS SPECIAL FORM, as respects **A.5.n. Computer Equipment**, is deleted and replaced by the following:
 - (6) Mechanical breakdown, failure or derangement, except:

- (a) This exclusion does not apply for the accidental loss or damage caused by a resulting fire or explosion.
- **(b)** This exclusion does not apply if any of the above is sudden and accidental and manifests itself by physical damage to "computer equipment" which requires repair or replacement.
- (8) Loss Payment will be determined as follows:

"Computer equipment" or "laptop/portable computers"

We will pay the least of the following amounts:

- The cost of reasonably restoring that property to its condition immediately before the loss or damage; or
- (ii) The cost of replacing that property with identical property of comparable material and quality and used for the same purpose.

However, when repair or replacement with identical property is not possible, we will pay the cost to replace that property with similar property capable of performing the same functions.

If not repaired or replaced, the property will be valued at its actual cash value.

"Computer Equipment" means a network of electronic machine components capable of accepting information, processing it according to instructions and producing the results in a desired form.

"Laptop/Portable Computers" means "computer equipment" and accessories that are designed to function with it that can easily be carried and is designed to be used at more than one location.

The most we will pay for loss or damage to "computer equipment" under this Extension is \$25,000.

The most we will pay under this Extension for loss or damage to "laptop/portable computers" while away from the described premises is \$5,000.

o. Lock Replacement

You may extend the insurance provided by this Coverage Form to apply to replacement of locks necessitated by theft of Covered Property or theft of keys from the described premises.

The most we will pay for loss under this Coverage Extension is \$2,500 in any one occurrence.

p. Money and Securities

- (1) You may extend the insurance that applies to Business Personal Property to apply to loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:
 - (a) Theft, meaning any act of stealing;
 - **(b)** Disappearance; or
 - (c) Destruction.

- (2) In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:
 - (a) Resulting from accounting or arithmetical errors or omissions;
 - (b) Due to the giving or surrendering of property in any exchange or purchase; or
 - (c) Of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (3) The most we will pay for loss in any one occurrence is:
 - (a) \$25,000 for Inside the Premises for "money" and "securities" while:
 - (i) In or on the described premises; or
 - (ii) Within a bank or savings institution; and
 - (b) \$25,000 for Outside the Premises for "money" and "securities" while anywhere else.
- (4) All loss:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;

is considered one occurrence.

- (5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- (6) "Money" means:
 - (a) Currency, coins and bank notes in current use and having a face value; and
 - (b) Travelers checks, register checks and money orders held for sale to the public.
- (7) "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - (a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - **(b)** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

q. Off-Premises Services Interruption

You may extend the insurance provided by this Coverage Form to apply to loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:

Water Supply Services, meaning the following types of property supplying water to the described premises:

Pumping stations; and

Water mains.

Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (a) Communication transmission lines, including optic fiber transmission lines;
- (b) Coaxial cables; and
- **(c)** Microwave radio relays except satellites.

It does not include above ground communication lines.

- **(3) Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission lines.

It does not include above ground transmission or distribution lines.

The most we will pay under this Extension is \$10,000.

r. Consequential Loss

We will pay up to \$10,000 for the consequential loss of undamaged business personal property.

Consequential Loss, as applicable to this Coverage Extension is the loss of value of an undamaged part or parts of a product which becomes unmarketable. It must be unmarketable due to a physical loss or damage to another part or parts of the product caused by a Covered Cause of Loss.

s. Business Income

We will pay up to \$10,000 for the actual loss of Business Income you sustain due to the necessary suspension of your operations during the period of restoration. The suspension must be caused by direct physical loss or damage to your covered Building or Business Personal Property at premises that are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

- (i) All routes within the building to gain access to the described premises; and
- (ii) Your personal property in the open (or in a vehicle) within 100 feet.

The COINSURANCE Additional Condition does not apply as respects this Coverage Extension.

The following definitions are added as respects this Coverage Extension:

- (1) Business Income means the:
 - (a) Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - (b) Continuing normal operating expenses incurred, including payroll.
- (2) Operations means the type of your business activities occurring at the described premises.
- (3) Period of Restoration means the period of time that:
 - (a) Begins 72 hours after the time of direct physical loss or damage for Business Income coverage caused by or resulting from a Covered Cause of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - 1. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - 2. The date when business is resumed at a new permanent location.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that

- 1. Regulates the construction, use or repair, or requires the tearing down of any property; or
- 2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

t. Business Income – Utility Services Interruption

We will pay up to \$1,000 in any one occurrence for the actual loss of Business Income at the described premises caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the following types of property located outside of a covered building described in the Declarations:

- (i) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - i. Pumping stations; and
 - ii. Water mains.
- (ii) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
 - i. Communication transmission lines, including optic fiber transmission lines;
 - ii. Coaxial cables; and
 - iii. Microwave radio relays except satellites.

It does not include above ground communication lines.

- (iii) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - i. Utility generating plants;
 - ii. Switching stations;
 - iii. Substations;

- iv. Transformers; and
- v. Transmission lines.

It does not include above ground transmission or distribution lines.

u. Business Income - Support Property

If the Declarations show you have Business Income Coverage, the following Additional Coverage is added:

We will pay for the actual loss of business income you sustain due to direct physical loss or damage at the premises of an "income support property" not described in the Declarations, caused by or resulting from any Covered Cause of Loss. "Income support property" means property operated by others on whom you depend to:

- 1) deliver material or services to you, or to others for your account;
- 2) accept your products or services;
- 3) manufacture products for delivery to your customers under contract of sale; or
- 4) attract customers to your business.

The most we will pay for this coverage is \$5,000 in any one occurrence.

v. Employee Tools Coverage

You may extend the insurance that applies to your Business Personal Property to apply to loss or damage by a Covered Cause of Loss to tools owned by your employees while used in your business or when in your building.

However, we will not pay for a loss that is caused by or results from theft or attempted theft of employee tools unless such loss occurs:

- 1) At a building and there is visible evidence of forcible entry or exit on your building; or
- 2) From a locked vehicle and there is visible evidence of forcible entry.

The value of Employee Tools will be determined at actual cash value as of the time of loss or damage.

The most we will pay with respect to employee tools is \$5,000 in any one occurrence.

Coverage provided under this Coverage Extension is subject to a Deductible equal to the Property Deductible shown in the Declarations.

w. Salespersons Samples

You may extend the insurance that applies to Your Business Personal Property to apply to Salespersons' Samples of your stock in trade, including their containers, while they are in the care, custody or control of your sales representative(s), agent(s) or yourself while acting as a sales representative.

The most we will pay for loss to Salespersons Samples in any one occurrence is \$5,000 for property in the custody of any one salesperson.

Coverage provided under this Coverage Extension is subject to a Deductible equal to the Property Deductible shown in the Declarations.

x. Loss to Pair or Set

If there is a loss or damage by a Covered Cause of Loss to covered property which is a part of a pair or set, we will pay; at our option, for:

- The cost to repair or replace any part to restore the pair or set to its value before the loss; or
- 2) The difference between the value of the pair or set before and after the loss; or
- 3) The full actual cash value for the pair or set at the time of loss, and you will give us the remainder of the pair or set.

y. Business Personal Property Limit Seasonal Increase

The Limit of Insurance for Business Personal Property will automatically increase by 25% to provide for seasonal variations. This increase will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 90% of your average monthly value during the lesser of:

- 1) The 12-month period immediately preceding the date the loss or damage occurs; or
- 2) The period of time you have been in business as of the date loss occurs.

z. Appurtenant Structures

You may extend the insurance that applies to Building to apply to your storage buildings, your garages and your other appurtenant structures, except outdoor fixtures, at the described premises. The most we will pay for Building loss or damage under this Extension is \$50,000.

You may extend the insurance that applies to Business Personal Property to apply to such property in your storage buildings, your garages and your other appurtenant structures at the described premises. The most we will pay for Business Personal Property loss or damage under this Extension is \$5,000.

B. The second paragraph of Section **C. LIMITS OF INSURANCE** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is deleted and replaced by the following:

Signs (Attached)

The most we will pay for loss or damage to outdoor signs attached to buildings is \$25,000 per sign in any one occurrence.

C. The following is added to Section D. DEDUCTIBLE, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

Special Deductible Provision

We will deduct from any loss or damage under the Coverage Extensions in any one occurrence the Deductible shown in the Declarations or \$500, whichever is less.

This deductible applies to all Coverage Extensions, except for:

- a. Newly Acquired or Constructed Property; and
- e. Outdoor Property

D. Coinsurance

Section **F. ADDITIONAL CONDITIONS**, Paragraph **1. Coinsurance** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM applies only when the total loss or damage to all Covered Property in any one occurrence is greater than \$10,000.

E. Brands and Labels

The following is added to Section **E. LOSS CONDITIONS**, of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM

8. Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may, at our expense:

- **a.** Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- **b.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

The most we will pay under this coverage is \$25,000.

F. Ordinance or Law

- 1. If a Covered Cause of Loss occurs to covered Building property, we will pay:
 - **a.** For the loss in value of the undamaged portion of the building as a consequence of enforcement of any ordinance or law that:
 - (i) Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;
 - (ii) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at a described premises; and
 - (iii) Is in force at the time of loss.
 - **b.** The cost to demolish and clear the site of undamaged parts of the property caused by the enforcement of building, zoning or land use ordinance or law.

The COINSURANCE Additional Condition does not apply to this demolition cost coverage.

- c. The increased cost to:
 - (i) Repair or reconstruct damaged portions of that Building property; and/or

(ii) Reconstruct or remodel undamaged portions of that Building property, whether or not demolition is required;

When the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law.

However:

- (i) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (ii) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The COINSURANCE Additional Condition does not apply to this increased cost of construction coverage.

- 2. We will not pay the increased costs of construction under this coverage:
 - a. Until the property is actually repaired or replaced, at the same or another premises; and
 - **b.** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- 3. We will not pay under this coverage for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
- 4. The most we will pay under this coverage at each described premises is the lesser of:
 - a. 25% of the Limit of Insurance shown in the Declarations for Building Coverage; or
 - **b.** \$100,000.
- **5.** We will not pay for loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged, and
 - **b.** You failed to comply with.
- **G.** The following change is applicable to Section **E. LOSS CONDITIONS** of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM .

Manufacturers Selling Price

The following is added to Paragraph **7. Valuation** Loss Condition:

We will determine the value of finished "stock" you manufacture, in the event of loss or damage, at:

- (1) The selling price, as if no loss or damage occurred;
- (2) Less discounts and expenses you otherwise would have had.

H. Dies, Patterns, Mold	as and Forms
Section C. Limitation	ns, Paragraph 3.c. of the CAUSES OF LOSS – SPECIAL FORM is deleted in its entirety.
All other terms and conditio	ns remain unchanged.
1.	ncludes copyrighted material of Insurance Services Office, Inc., with its permission.

SERFF Tracking Number: LBRM-125278514 State: Arkansas

Filing Company: Peerless Indemnity Insurance Company State Tracking Number: AR-PC-07-025960

Company Tracking Number: 2007-00514A

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package

Liability

Product Name: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS

Project Name/Number: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS/2007-00514A

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: LBRM-125278514 State: Arkansas

Filing Company: Peerless Indemnity Insurance Company State Tracking Number: AR-PC-07-025960

Company Tracking Number: 2007-00514A

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package

Liability

Product Name: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS

Project Name/Number: AR-CUSTOM PROTECTOR-ADDITIONAL ENDORSEMENTS/2007-00514A

Supporting Document Schedules

Review Status:

Satisfied -Name: Uniform Transmittal Document- Approved 09/04/2007

Property & Casualty

Comments:

P & C TRANSMITTAL

Attachment:

P & C TRANSMITTAL 010106.AMF.pdf

Review Status:

Satisfied -Name: COVER LETTER Approved 09/04/2007

Comments:

COVER LETTER

Attachment:

2007-00514a.trb.pdf

Review Status:

Satisfied -Name: FORMS LIST Approved 09/04/2007

Created by SERFF on 09/04/2007 09:34 AM

Comments: FORMS LIST

Attachment:

AR CPP FORMLIST.10-2007.pdf

Property & Casualty Transmittal Document (Revised 1/1/06)

1.	Reserved for Insurance Dept. U	se Only		2. Insura	nce I	Depart	tment Us	se or	nly	
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Effective January 1, 2006

20. This filing transmittal is part of Company Tracking # 2007-00514 A

At this time we wish to file additional endorsements to be used with this Program.
Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
[ii a state requires you to snow now you calculated your filling fees, place that calculation below]
Check #: 60677602
Amount: \$50.00
Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.
***Refer to the each state's checklist for additional state specific requirements (i.e. # of additiona

copies required, other state specific forms, etc.)



62 Maple Avenue Keene, NH 03431 603-352-3221

August 29, 2007

Hon. Julie Benafield Bowman Commissioner Of Insurance Arkansas Insurance Department 1200 West Third St Little Rock, AR 72201-1904

Attn: Mr. Bill Lacy, Director
Property and Casualty Division

Re: CUSTOM PROTECTOR™ Program

Form Filing

PEERLESS INDEMNITY INSURANCE COMPANY

NAIC #111-18333

Company Filing #2007-00514A

Dear Mr. Lacy:

For all policies effective on and after October 1, 2007 we wish to file revisions to our CUSTOM PROTECTOR™ Program.

At this time we wish to file additional endorsements, 21-90D Restaurant Custom Protector Endorsement, 21-95D Religious Organizations Custom Protector Endorsement, 21-96D Condominium Custom Protector Endorsement and 21-97D Hotel/Motel Custom Protector Endorsement.

Enclosed, please find the endorsements, the required filing forms and our \$50.00 filing fee.

The corresponding Rate & Rule Filing has been submitted under separate cover (our filing #2007-00513A).

Questions regarding the above filing should be directed to me at 603-358-4520 or 800-826-6189 ext. 84520.

Review and Approval, evidenced by Department Stamp on a copy of this letter would be appreciated. A self-addressed envelope is enclosed for your convenience.

Sincerely.

Jamy R BAK Tammy R. Blake

Sr. Analyst Regulatory Filing AM

E-mail: tammy.blake@libertymutual.com

AR – CUSTOM PROTECTOR™ Program Forms List 10/01/2007

NEW/REVISED NUMBER / ED.	ST	FORM TITLE	TYPE	Proprietary/ ISO)	Mandatory /Optional	Premium Bearing
21-87D (06/07)	AR	Wholesalers Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-88D (06/07)	AR	Service Providers Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-89D (06/07)	AR	Retailers Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-90D (06/07)	AR	Restaurant Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-91D (06/07)	AR	Manufacturers Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-92D (06/07)	AR	Office/Lessors Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-93D (06/07)	AR	Food Processors Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-94D (06/07)	AR	Contractors Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-95D (06/07)	AR	Religious Organization Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-96D (06/07)	AR	Condominium Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-97D (06/07)	AR	Hotel/Motel Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-98D (06/07)	AR	Garage Custom Protector Endorsement	Endorsement	Proprietary	Optional	Υ
21-100D (06/07)	AR	Custom Protector Endorsement	Endorsement	Proprietary	Mandatory	N
22-106 (01/07)	AR	Each Location General Aggregate Limit	Endorsement	Proprietary	Optional	Υ
22-107 (01/07)	AR	Property Damage – Borrowed Equipment	Endorsement	Proprietary	Optional	Υ
22-108 (01/07)	AR	Property Damage – Customers' Goods	Endorsement	Proprietary	Optional	Υ
22-109 (01/07)	AR	Additional Insured – Vendors	Endorsement	Proprietary	Optional	Υ
22-110 (01/07)	AR	Custom Protector Liability Extension Endorsement	Endorsement	Proprietary	Mandatory	N
22-117 (01/07)	AR	Custom Protector Garagekeepers Coverage	Endorsement	Proprietary	Optional	Υ
24-71 (02/07)	AR	Custom Protector Contactors Miscellaneous Property Floater Coverage Form	Endorsement	Proprietary	Optional	Υ